

Mid-Term Performance Announcement for the Year Ending December 2006

August 9th, 2006

***Coca-Cola* West**

Coca-Cola West Holdings (2579)

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Contents

I . Mid-term Performance Results for the year ending December 2006

- 1. 2006 Mid-Term Overview ... 3pg
- 2. 1H Profit Change Factors
(vs. plan/vs. last year) ... 5pg
- 3. Group Companies' Performance ... 9pg

II . Coca-Cola West Group (CCWG) 2006 2H Plan

- 1. Corporate Vision ...11pg
- 2. Aspirations of CCWG ...12pg
- 3. Basic Concept of Creating CCWG ...13pg
- 4. Sales Synergies ...14pg
- 5. Cost Synergies/CC System Synergies ...15pg
- 6. CCWG 2006 2H Forecast ...16pg
- 7. 2H Profit Change Factors (vs. 1y) ...17pg
- 8. CCWG 2006 Annual Forecast ...18pg

III . Marketing Activities in 2006

1. Review of 1H Marketing Activities

- Market Share ... 21pg
- Sales Results by Brand / Channel ... 23pg
- Review of Vending Activities ... 34pg
- Review of Chain Store Activities ... 37pg
- 1H Summary ... 40pg

2. 2H Marketing Activities

- Mid-term Sales Strategies ... 43pg
- Core Brand Key Activities ... 45pg
- Key Channel Activities ... 48pg
- Scenario to achieve volume target ... 50pg

[Reference]

- Coca-Cola System in Japan ... 54pg
- Group Company Overview ... 56pg
- Explanation of Terminology ... 59pg



I . Mid-Term Performance Results for the year ending December 2006

2006 Mid-Term Overview — CCWJ

■2006 1H Performance

- Sales Volume ; vs. plan - 5.9%、vs. ly - 2.1%
- Consolidated Revenue ; vs. plan 6.9BB JPY decline(- 5.8%)、vs. ly 5.6BB JPY decline(- 4.8%)
- Operating Income ; vs. plan 2.1BB JPY decline(- 40.9%)、vs. ly 2.1BB JPY decline(- 41.1%)
(MM JPY、%)

	2005 1H Actuals	2006 1H					
		Plan ※	Actual	vs. Plan		vs. ly	
				Difference	%	Difference	%
Revenues	117,359	118,600	111,693	-6,906	-5.8	-5,666	-4.8
Operating Income	5,313	5,300	3,129	-2,170	-40.9	-2,183	-41.1
Recurring Income	5,509	5,400	3,464	-1,935	-35.8	-2,044	-37.1
Net Income	2,543	3,400	1,729	-1,670	-49.1	-813	-32.0

※The above plan is in line with the full year forecasts announced on 2/8/06

■2006 1H Activity Summary

- Brand:
 - Actual volumes for key brands excluding Aquarius were negative vs. last year
 - Georgia sales had been stagnant following its renewal last year, but began to turn around since May
- Channel:
 - All channel were negative vs. plan. CS and Food services grew vs. last year
 - Vending:
 - Market developments are positive vs. last year. # of VM have increased since last year
 - VPM has decreased due to Georgia's stagnant sales ※VPM...(Volume Per Machine)
 - Chain Store:
 - Profits recovering due to increased productivity and CBPPP strategy implementation
- In order to further strengthen the business base, CCWJ has agreed to an integration with Kinki

※CBPPP: Channel, Brand, Package, Price, Promotion

2006 Mid-Term Overview — Kinki CCBC

■ 2006 Mid-Term Performance

- Sales Volume ; vs. plan - 5.7%、vs. ly - 3.6%
 - Consolidated Revenue ; vs. plan 5.3BB JPY decline(- 6.1%)、vs. ly 4.5BB JPY decline(-5.2%)
 - Operating Income ; vs. plan 1.8BB JPY decline(- 73.5%)、vs. ly 1.8BB JPY decline(-73.6%)
- (MM JPY、%)

	2005 1H Actuals	2006 Mid-Term					
		Plan ※	Actual	v.s. Plan		v.s. ly	
				Decline	Rate	Decline	Rate
Revenues	86,169	87,000	81,651	-5,349	-6.1	-4,518	-5.2
Operating Income	2,506	2,500	662	-1,838	-73.5	-1,844	-73.6
Recurring Income	2,431	2,500	502	-1,998	-79.9	-1,928	-79.3
Net Income	1,365	1,400	-865	-2,265	—	-2,231	—

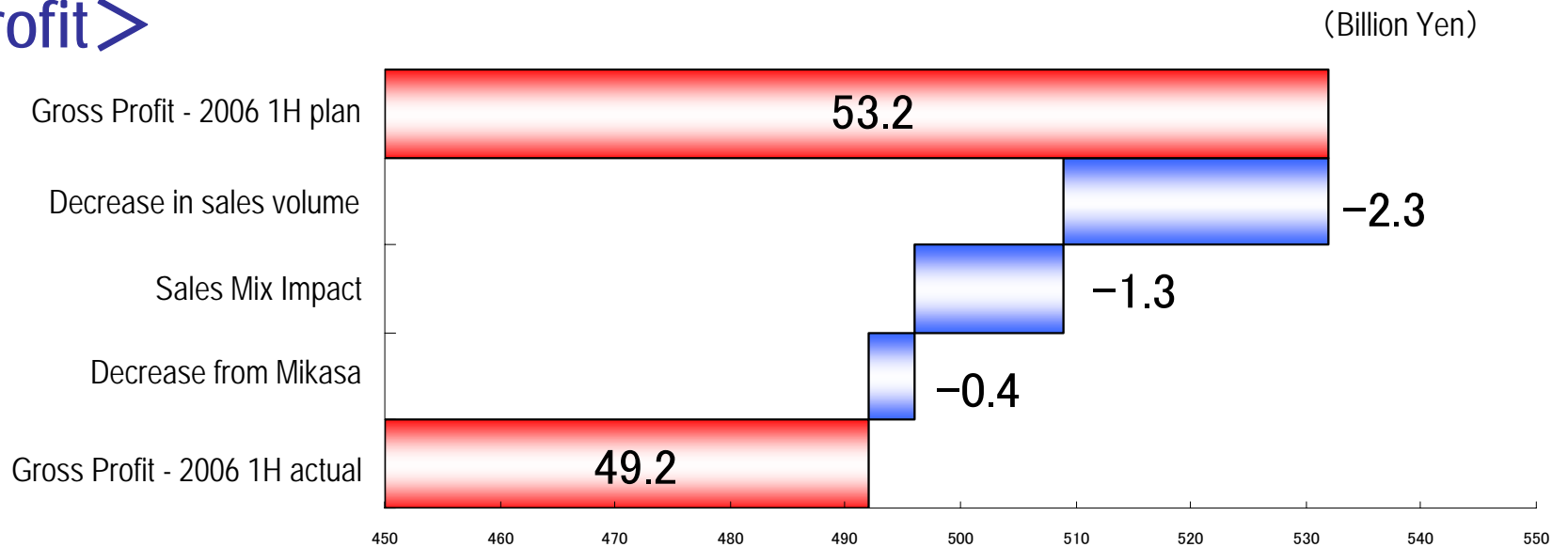
※The above plan is in line with the full year forecasts announced on 2/9/06

■ 2006 1H Activity Summary

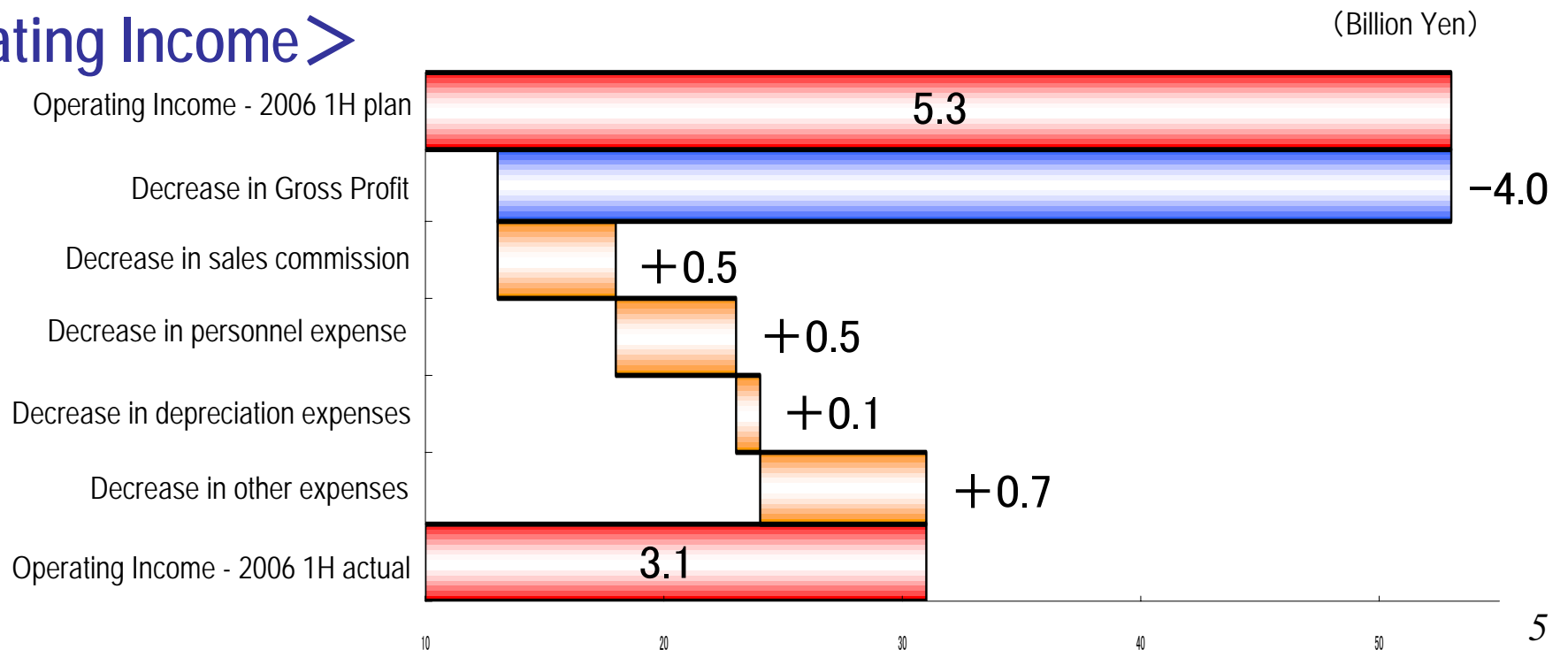
- Brand:
 - Actual volumes for key brands excluding Aquarius are negative vs. last year
 - Georgia sales had been stagnant following its renewal last year, but began to turn around since May
- Channel:
 - All channels are negative vs. ly as well as vs. plan
 - Vending:
 - # of VM vs. ly are positive
 - VPM is negative vs. ly due to Georgia's stagnant sales
 - Profits decreased due to lowered selling price
 - Chain Store:
 - Discounts are almost the same as last year
- In order to further strengthen the business base, Kinki has agreed to an integration with CCWJ.

1H Profit Change Factor (vs. plan) — CCWJ

<Gross Profit>



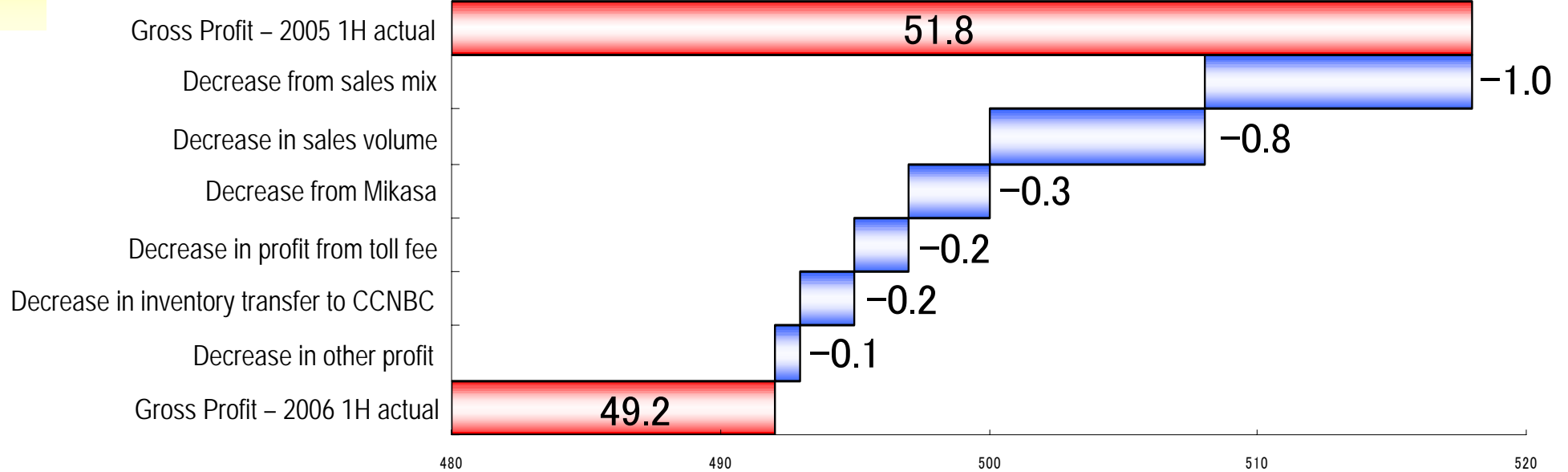
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1H Profit Change Factor (vs. LY) — CCWJ

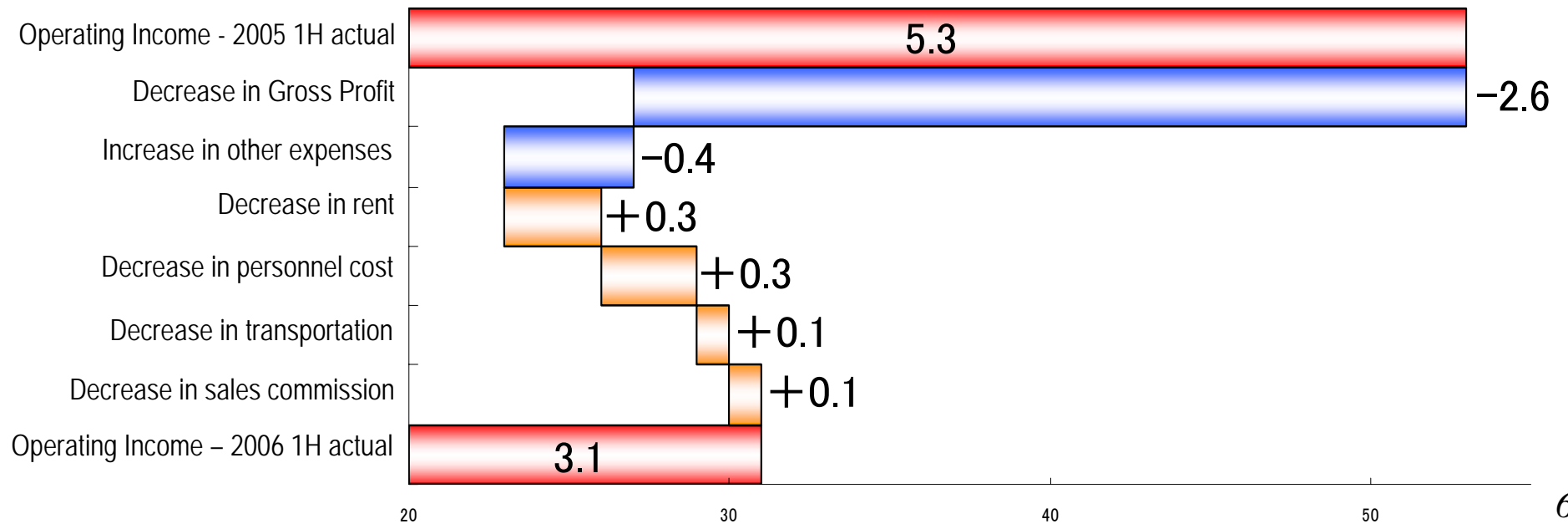
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(Billion Yen)



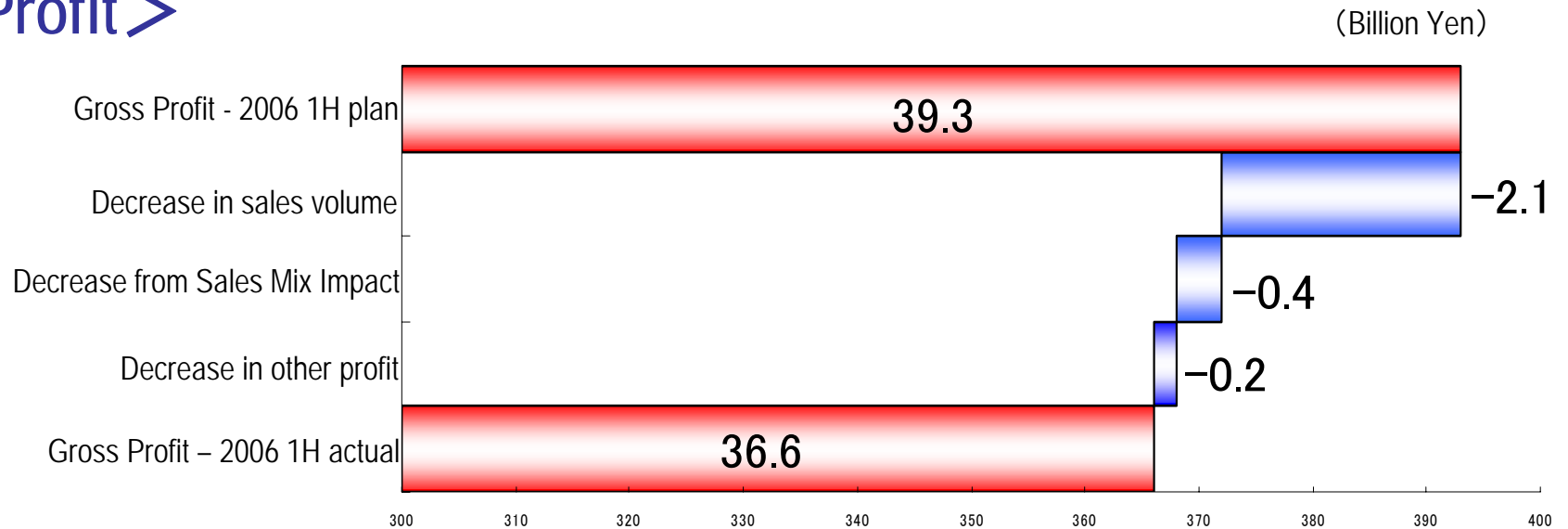
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(Billion Yen)

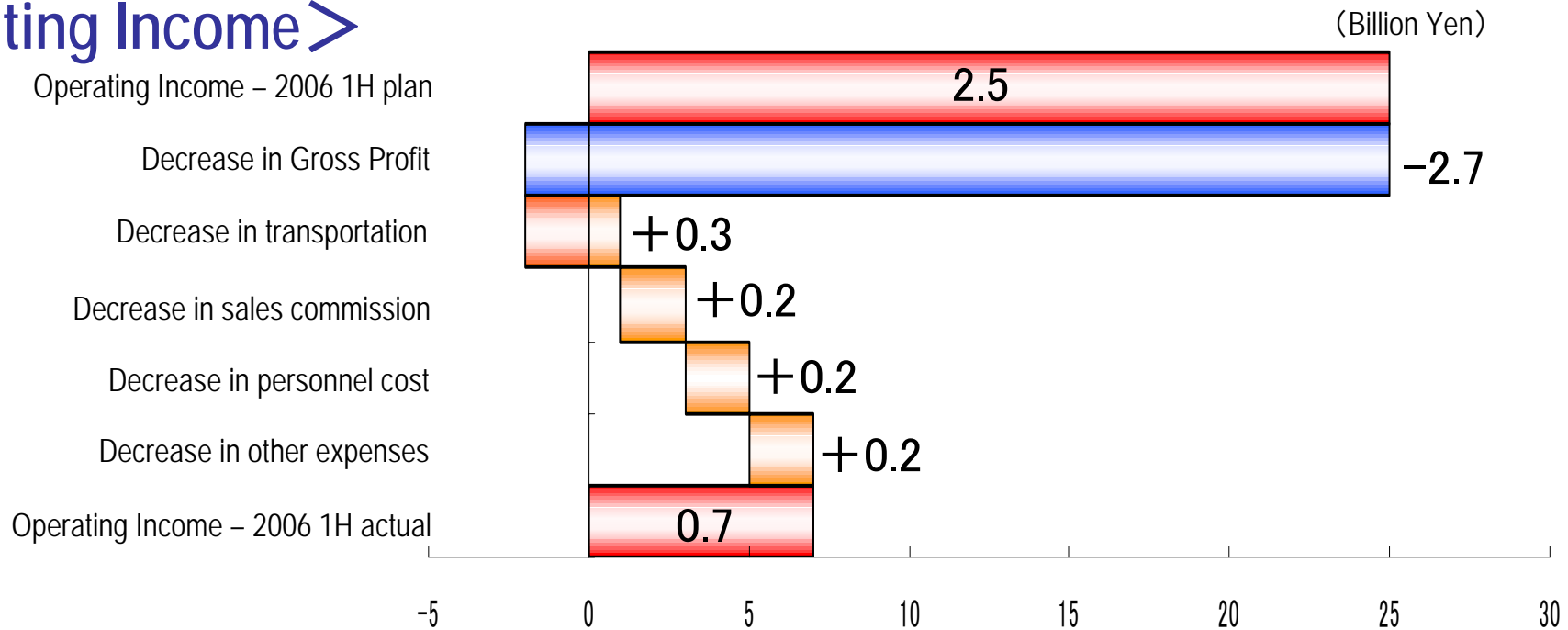


1H Profit Change Factor (vs. Plan) — Kinki

<Gross Profit>

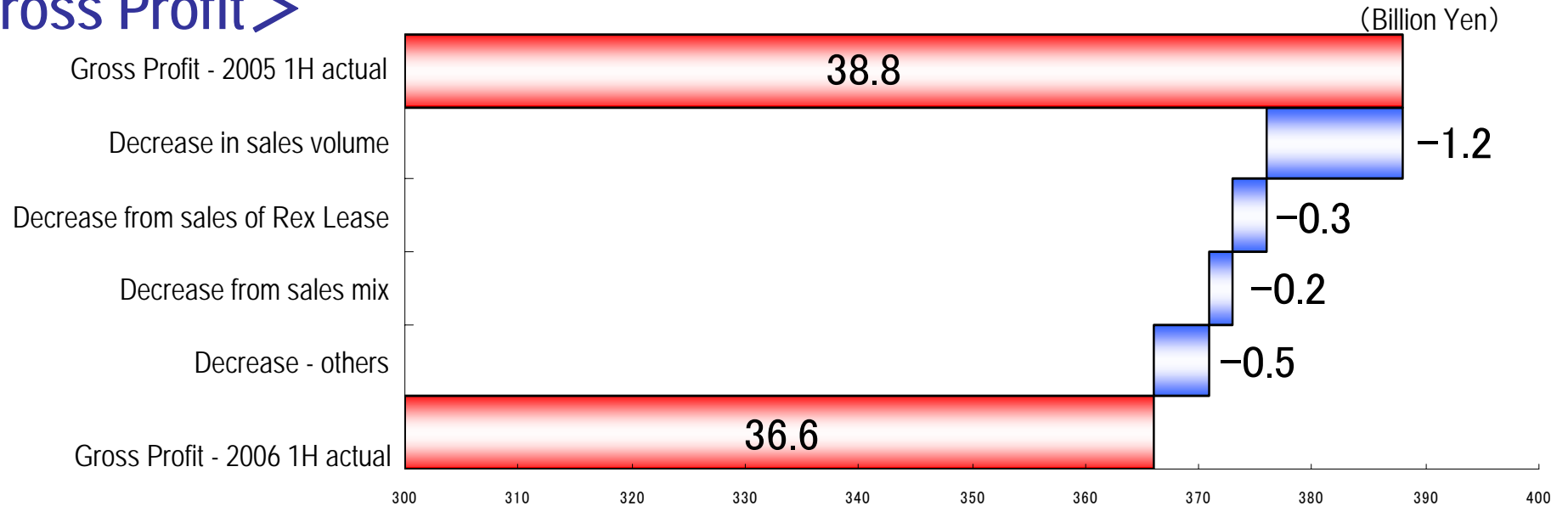


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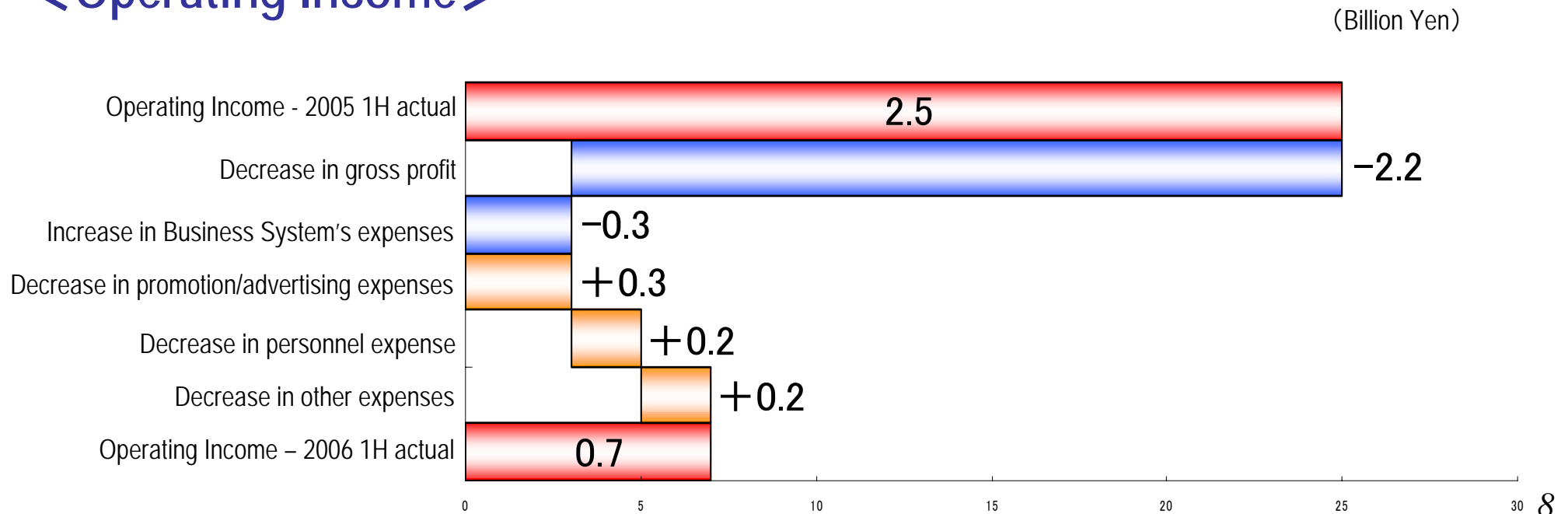


1H Profit Change Factor (vs. LY) — Kinki

<Gross Profit>



<Operating Income>



Group Companies' Performance

< Mikasa CCBC >

JPY MM, %

	2005 1H Actual	2006 1H					
		Plan ※	Actual	vs. plan		vs. LY	
				Difference	% change	Difference	% change
Revenues	13,361	13,457	12,615	-842	-6.3	-746	-5.6
Operating Income	8	-7	-268	-261	-	-276	-

< Nishi-Nihon Beverages >

Revenues	9,687	8,965	8,871	-94	-1.0	-816	-8.4
Operating Income	46	37	176	139	375.7	130	282.6

< Mikasa Beverage Service >

Revenues	1,285	1,289	1,282	-7	-0.5	-3	-0.2
Operating Income	14	-1	-14	-13	-	-28	-

※Plan is based on the annual forecast announced on February 8, 2006.

< Kansai Beverage Service >

Revenues	16,406	16,417	16,056	-361	-2.2	-350	-2.1
Operating Income	861	777	586	-191	-24.6	-275	-31.9


< Nesco >

Revenues	1,377	1,373	1,354	-19	-1.4	-23	-1.7
Operating Income	73	80	87	7	8.7	14	19.2

< Cadiac >

Revenues	455	461	462	1	0.2	7	1.5
Operating Income	18	15	11	-4	-26.7	-7	-38.9

※Plan is based on the annual forecast announced on February 7, 2006.



II . Coca-Cola West Group 2006 2H Plan



— Coca-Cola West Group Corporate Vision —

Creating our Future Beverage Business

CCWH will...

- Provide the highest quality products to our consumers and business partnerships to our customers
- Value the work satisfaction and lifestyle of each associate
- Meet shareholder needs by achieving sustainable growth
- Strengthen relationships with the community and our responsibility to the environment

Coca-Cola West Group Aspirations

- Expand sales and share in the territory which accounts for approximately 1/3 of the population of Japan
- Increase profitability through efficient organizational structures and operational process

Maximize value to the consumers and satisfaction to the customers based on increasing capabilities as a sales marketing company

Leadership in Coca-Cola System Transformations

- Lead system transformations
- Sustainable Profit Growth
- Collaboration with CCJC
- Collaboration with Functionally Integrated companies (CCNBC, CCNSC, CCBSC etc)

Achievements of the Coca-Cola West Group's Ideal Structure

- Quick decision making
- HR development
- Prominent Customer Marketing
- Community-based
- Company with a high corporate image

Basic Concept of Creating the Coca-Cola West Group

1. Creating a sales focused company

2. Efficient company operations

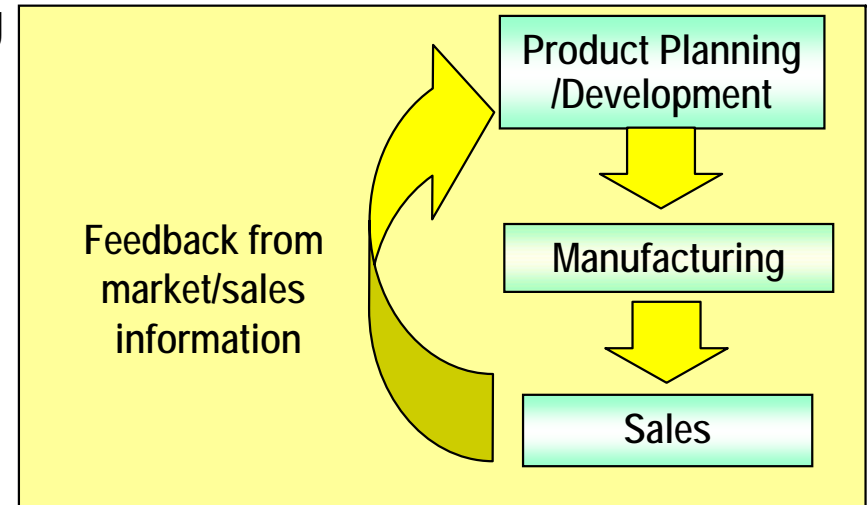
- High productivity, thorough cost reductions

3. A company that values the work satisfaction and lifestyle of each associate

Sales Synergies

■ Establish integrated process from product development to sales execution

- ① Collaboration in Product Development, Test Marketing
 - ...Channel specific product, product in local needs
- ② Sales Marketing Pilot Execution
 - ...Promotion mechanism, POS
- ③ Proactive Personnel Exchange



■ Strengthen Sales Capabilities

- ① Increase responsiveness to key regional/local customers
 - Increase responsiveness to key customers in regional chains and vending (transportation)
- ② Share both company's knowledge
 - Sharing/Implement the best practice methods of both companies from CCWJ's strong vending channel and Kinki's strong chain store channel
- ③ Increase specialization of roles and functions
 - Integrate the group companies on a functional basis, and increase specializations of roles and functions as well as quality of operations.

Cost Synergies /Coca-Cola System Synergies

Cost Synergies

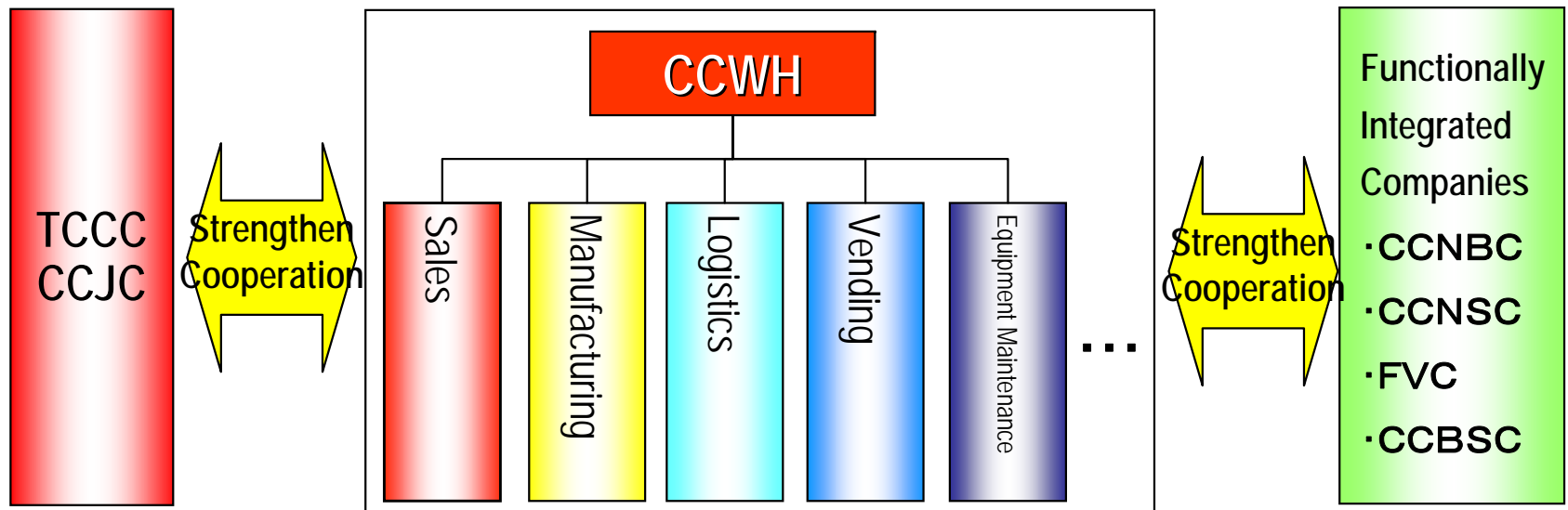
■ Efficiencies by Integration of Redundant Functions

- ① Efficient business operation through integration of group companies by function
- ② Cost reductions from integrations of back-office operations
- ③ Cost Reductions from integrations of procurement

Coca-Cola System Synergies

■ Strengthening Relations with TCCC/CCJC

- ① Speedy operations and decision making
- ② Strengthen relations with respective functional companies
(CCNBC, CCNSC, and FVC will become equity-method investees, and Daisen Beverage will become a subsidiary)
- ③ Cooperation in product development, test market implementation
- ④ Various pilot initiatives (Marketing, IS, SCM, HR development/exchange etc.)



Coca-Cola West Group 2006 2H Forecast

<Sales Volume>

(000' BAPC, %)

		2005 2H Actual	2006 2H		
			Plan	v.s. LY	
				Difference	Change
2H	CCWJ	47,417	47,246	-171	-0.4
	KINKI CCBC	43,953	44,834	881	2.0
	MIKASA CCBC	8,564	8,732	168	2.0
	TOTAL	99,935	100,812	877	0.9

<Coca-Cola West Group Consolidated P/L>

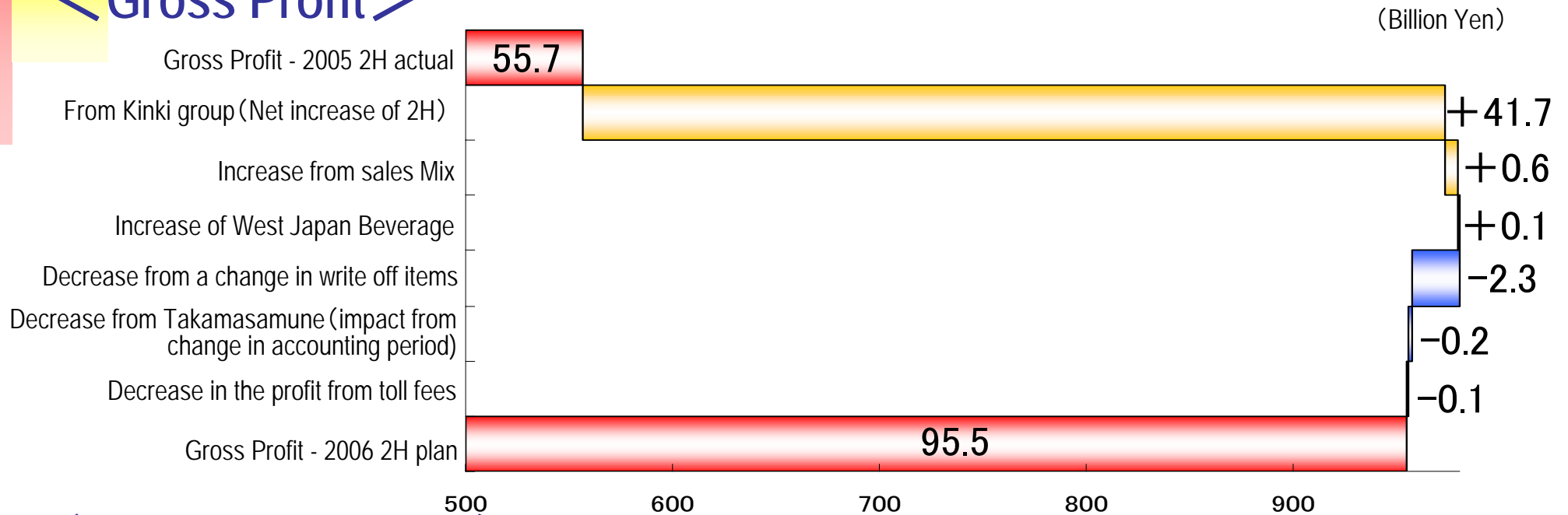
(MM JPY, %)

	2005 2H Actual	2006 2H		
		Plan	v.s. LY	
			Difference	Change
Revenue	128,515	221,700	93,185	72.5
Operating Income	6,517	9,300	2,783	42.7
Recurring Income	6,746	9,900	3,154	46.8
Net Income	4,762	5,700	938	19.7

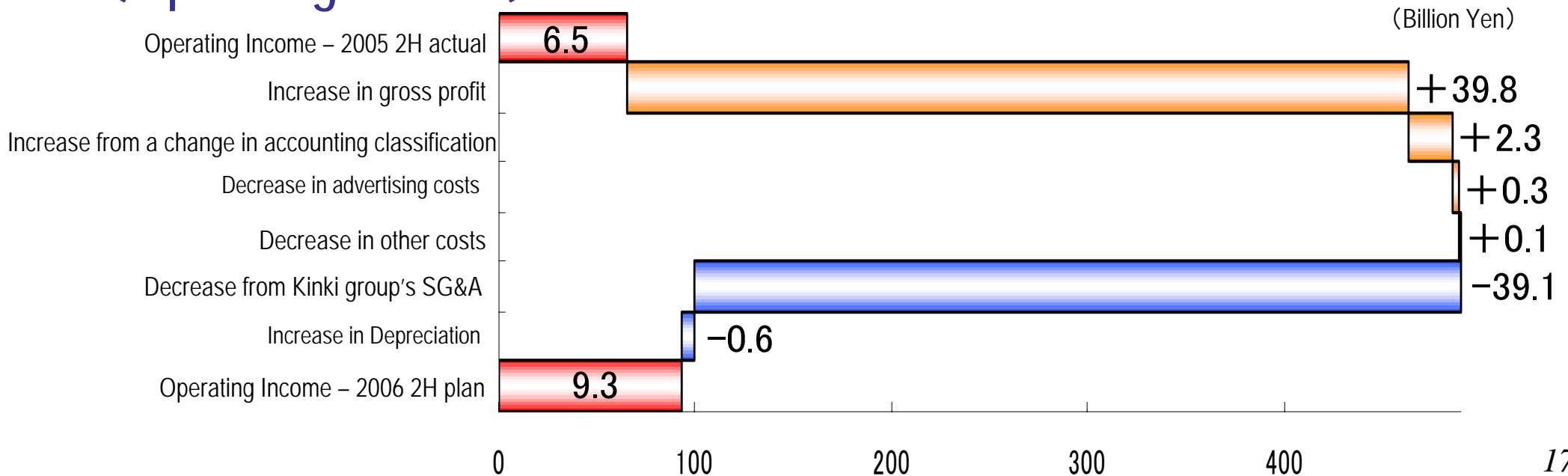
※2005 Actual is CCWJ consolidated result for 2005 2H.

2H Forecast Profit Change Factor (vs. last year)

<Gross Profit>



<Operating Income>



Coca-Cola West Group 2006 Annual Forecast

<Coca-Cola West Group Consolidated P/L>

■ Consolidated CCWJ annual forecast + Consolidated Kinki 2H forecast

(MM JPY, %)

	Actual ※1	Plan	v.s. Ly	
			Change	Rate
Revenues	245,874	333,400	87,526	35.6
Operating Income	11,830	12,400	570	4.8
Recurring Income	12,256	13,300	1,044	8.5
Net Income	7,305	7,400	95	1.3

※1 The above actual numbers are based on CCWJ consolidated annual data.

■ Reference ; Consolidated CCWJ annual forecast + Consolidated Kinki annual forecast

(MM JPY, %)

	2005 Actual ※2	2006		
		Plan	v.s. Ly	
			Change	Rate
Revenues	417,444	413,800	-3,644	-0.9
Operating Income	17,812	13,100	-4,712	-26.5
Recurring Income	18,065	13,800	-4,265	-23.6
Net Income	10,554	6,400	-4,154	-39.4

※2 The above is based on the CCWJ group and Kinki's annual actual figures total, after inter-company's transaction among group companies.



III. Marketing Activities in 2006



Review of 1H Marketing Activities

Market Share (OTC Channel) — CCWH / CCWJ

Source: Intage

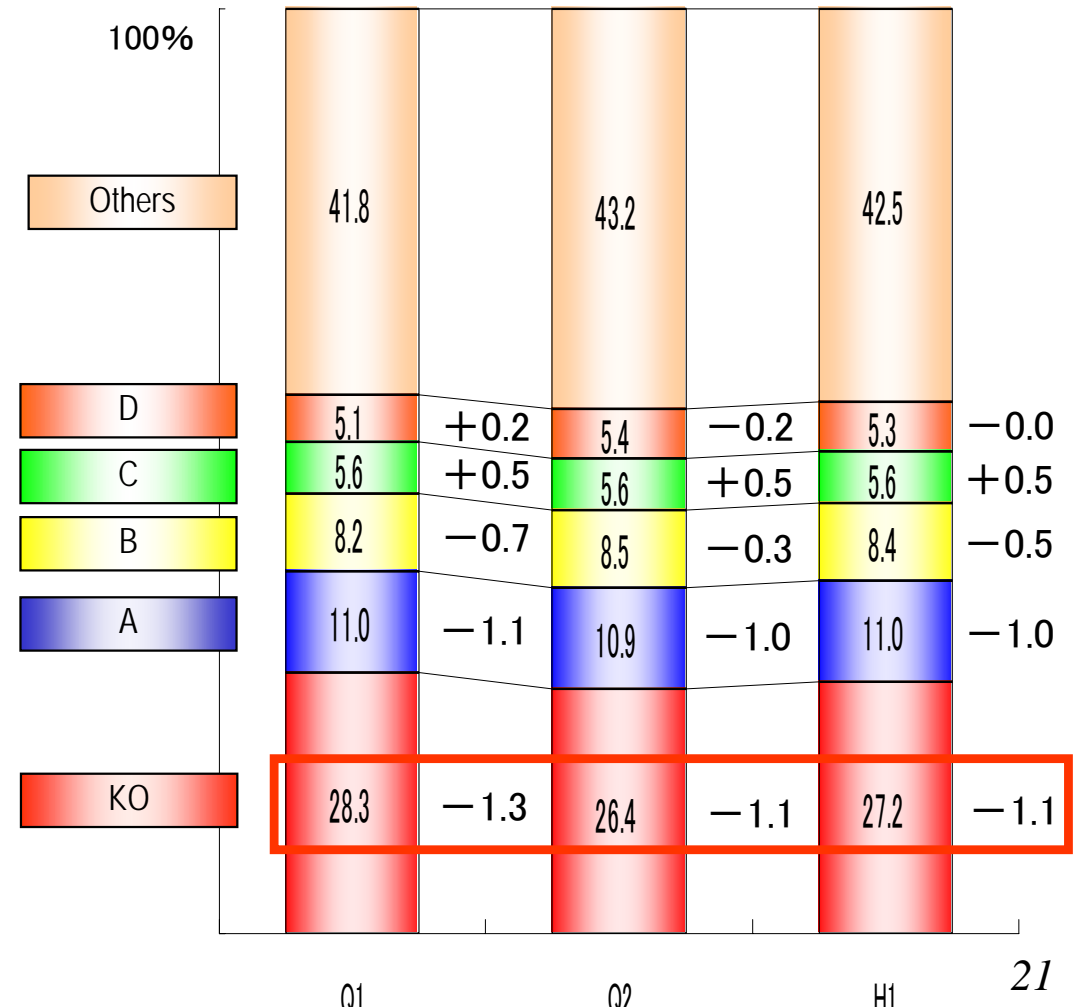
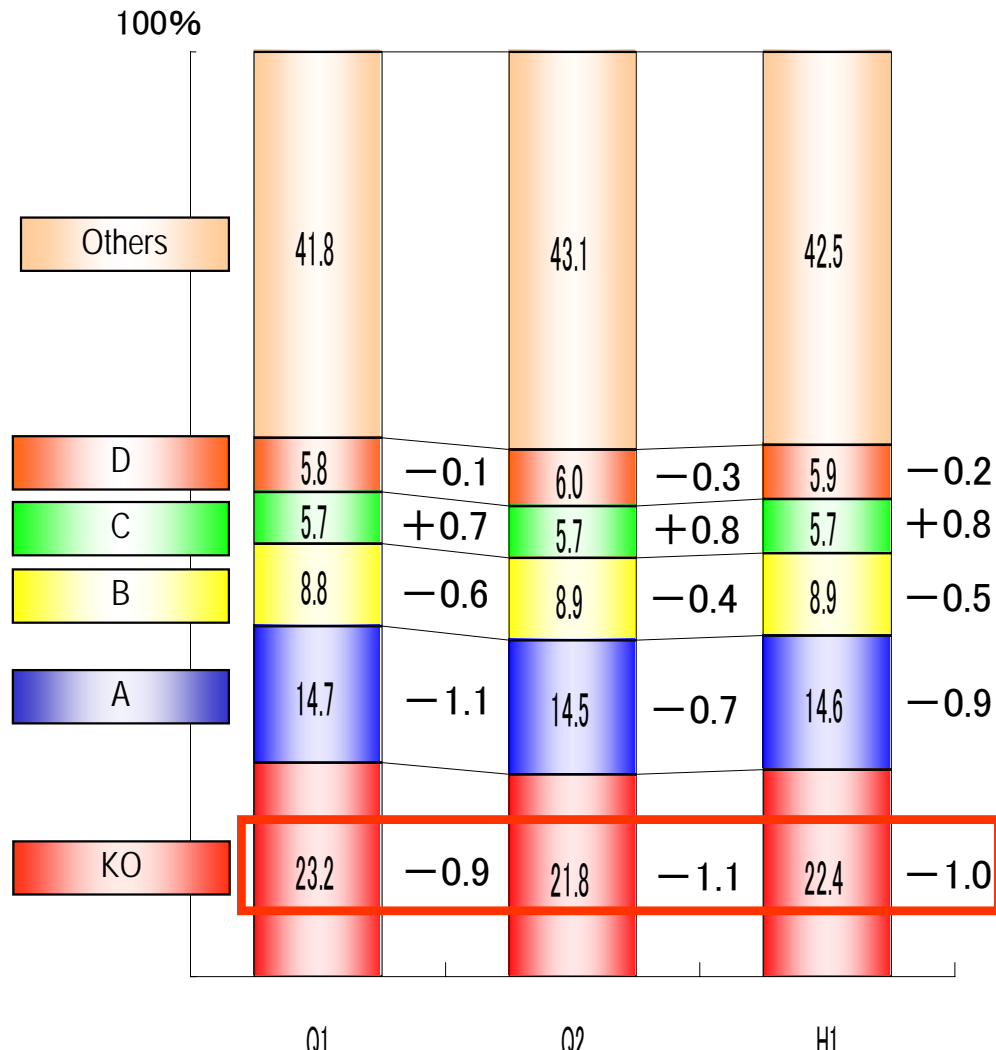
※Figures on the right of the graph represent share point change vs. LY (% share point)

<CCWH>

① CCWJ

➤ KO lost share vs. LY for 1H

➤ KO lost share vs. LY for 1H



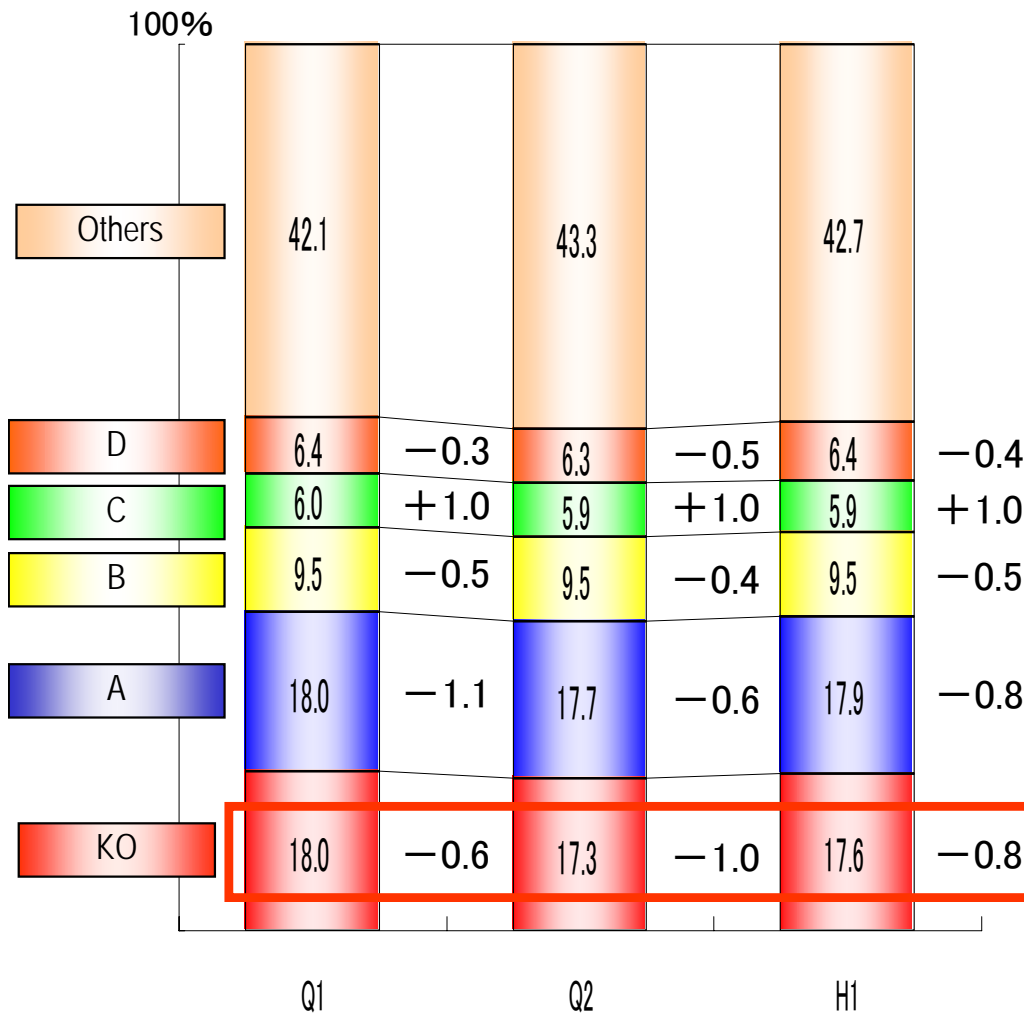
Market Share (OTC Channel) — Kinki CCBC / Mikasa CCBC

Source: Intage

※Figures on the right of the graph represent share point change vs. LY (% share point)

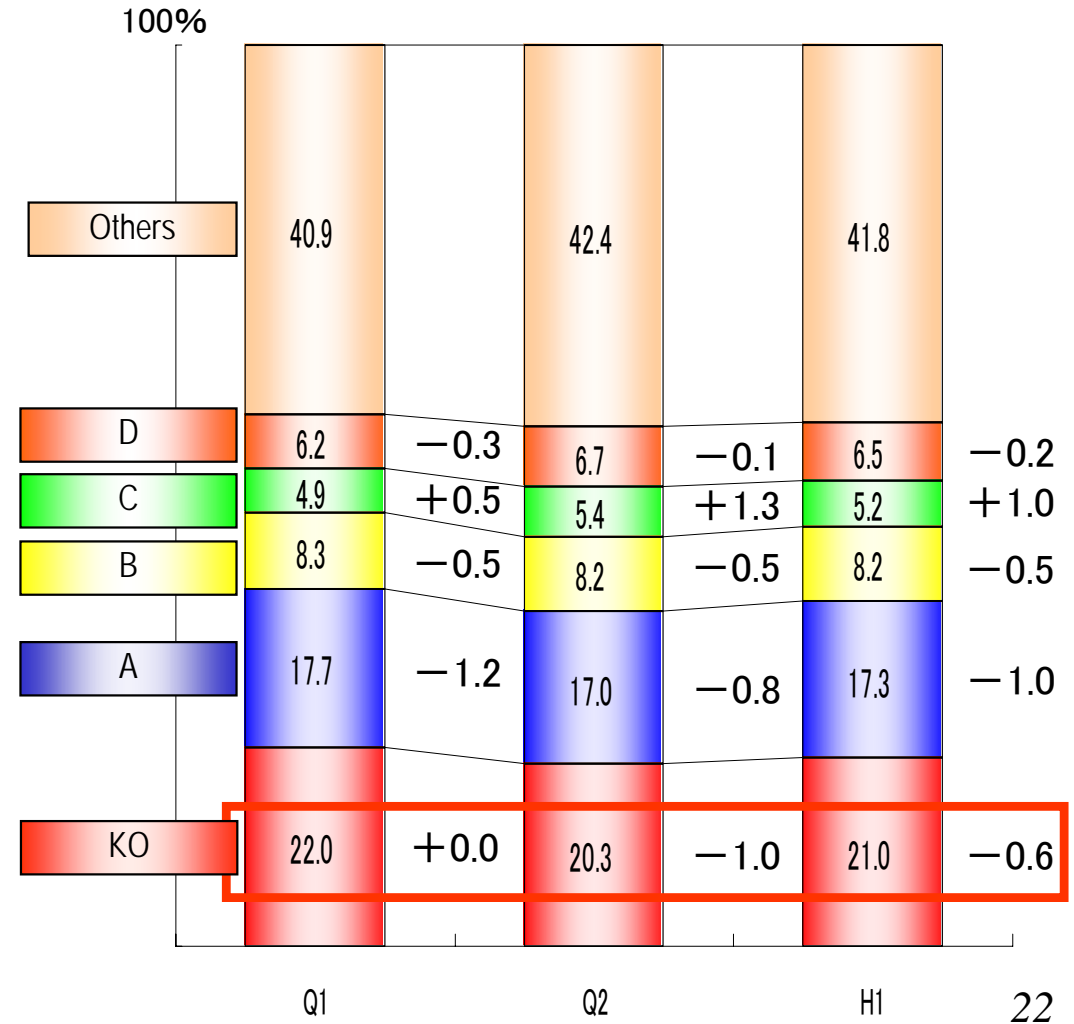
② Kinki

➤ KO lost share vs. LY for 1H



③ Mikasa

➤ KO lost share vs. LY for 1H



Sales by Brand — CCWH / CCWJ

<CCWH>

- Among the core brands, Coca-Cola, Georgia, and Sokenbicha are all negative v.s. ly as well as v.s. plan.
- Aquarius is positive v.s. ly
- Morino mizu/ Minaqua are positive v.s. ly as well as v.s. plan.

① CCWJ

- Georgia's negative figures largely impact the total sales.
- Aquarius, Morino Mizu, and Minaqua are all positive v.s. ly.
- Sokenbicha is negative v.s. ly mainly impacted by discontinuation of green tea blend this year. On the other hand, Sokenbicha original grew +6.3% v.s. ly driven by the brand Renewal.
- Hajime is negative v.s. ly due to pricing strategies by competitors.
- In the others area, HOT products, Sprite, Canada Dry, and Ambasa are performing positively.

Thousand BAPC, %

	CCWH 2006 1H				
	Actual	vs. Plan		vs. LY	
		Diff.	% change	Diff.	% change
Coca-Cola	6,771	-1,016	- 13.0	-573	- 7.8
Georgia	21,123	-1,719	- 7.5	-1,017	- 4.6
Aquarius	7,700	-813	- 9.5	+365	+5.0
Sokenbicha	6,437	-359	- 5.3	-192	- 2.9
Hajime	4,059	-1,305	- 24.3	-812	- 16.7
Mori Mizu/Minaqua	2,657	+338	+14.6	+217	+8.9
Others	36,675	-317	- 0.9	-532	- 1.4
Total	85,424	-5,189	- 5.7	-2,543	- 2.9

	CCWJ 2006 1H				
	Actual	vs. Plan		vs. LY	
		Diff.	% change	Diff.	% change
Coca-Cola	3,333	-568	- 14.6	-277	- 7.7
Georgia	12,589	-951	- 7.0	-569	- 4.3
Aquarius	3,667	-322	- 8.1	+171	+4.9
Sokenbicha	2,792	-367	- 11.6	-153	- 5.2
Hajime	2,304	-778	- 25.3	-359	- 13.5
Mori Mizu/Minaqua	1,163	+230	+24.6	+154	+15.2
Others	14,736	+224	+1.5	+163	+1.1
Total	40,584	-2,532	- 5.9	-870	- 2.1

Sales by Brand — Kinki CCBC / Mikasa CCBC

② Kinki

- Among the core brands, all products other than Aquarius are performing negative v.s. ly.
- Aquarius, Morino Mizu, and Minaqua are all positive v.s. ly.
- Hajime is negative v.s. ly due to poor sales in the CVS channel.
- Sokenbicha is negative v.s. ly mainly impacted by discontinuation of green tea blend this year. On the other hand, Sokenbicha original grew +8.7% v.s. ly driven by the brand Renewal.

③ Mikasa

- Among the core brands, Sokenbicha is performing well and is positive v.s. ly as well as v.s. plan.
- Coca-Cola and Georgia are both negative v.s. ly as well as v.s. plan.
- Aquarius, Morino Mizu, and Minaqua are all positive v.s. ly.

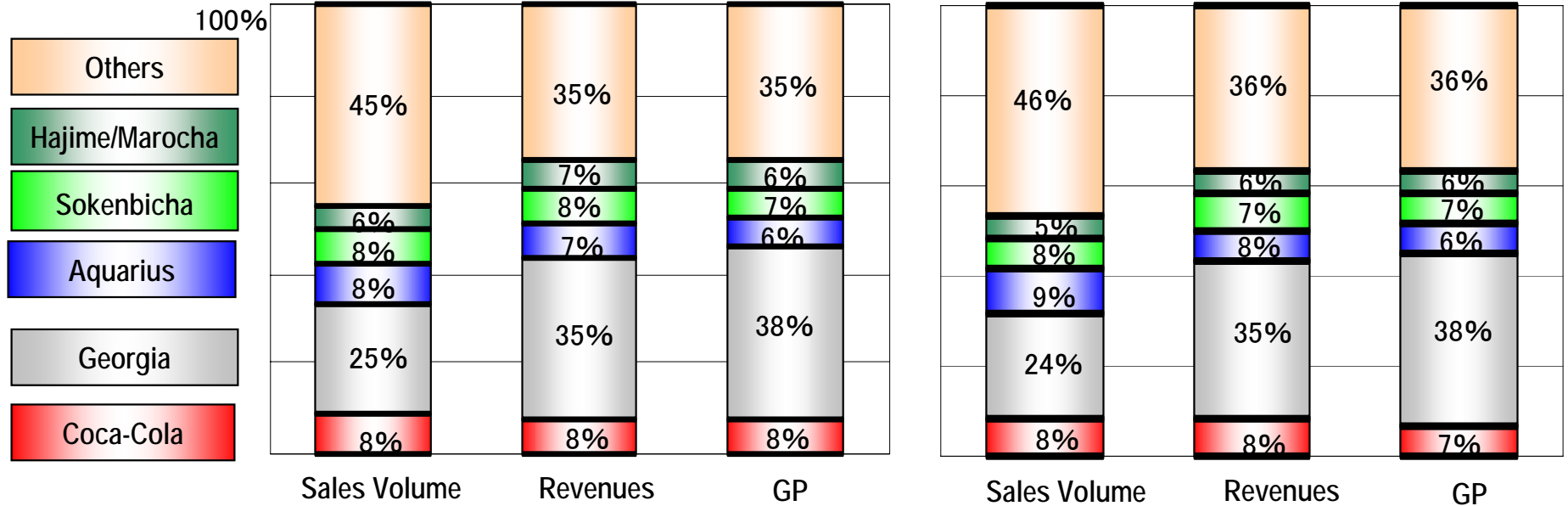
Thousand BAPC, %

	Kinki 2006 1H				
	Actual	vs. Plan		vs. LY	
		Diff.	% change	Diff.	% change
Coca-Cola	2,818	-418	- 12.9	-268	- 8.7
Georgia	7,023	-698	- 9.0	-380	- 5.1
Aquarius	3,209	-364	- 10.2	+92	+3.0
Sokenbicha	3,031	-17	- 0.6	-41	- 1.3
Hajime	1,456	-432	- 22.9	-364	- 20.0
Mori Mizu/ Minaqua	1,361	+114	+9.1	+63	+4.8
Others	18,557	-429	- 2.3	-501	- 2.6
Total	37,455	-2,245	- 5.7	-1,399	- 3.6

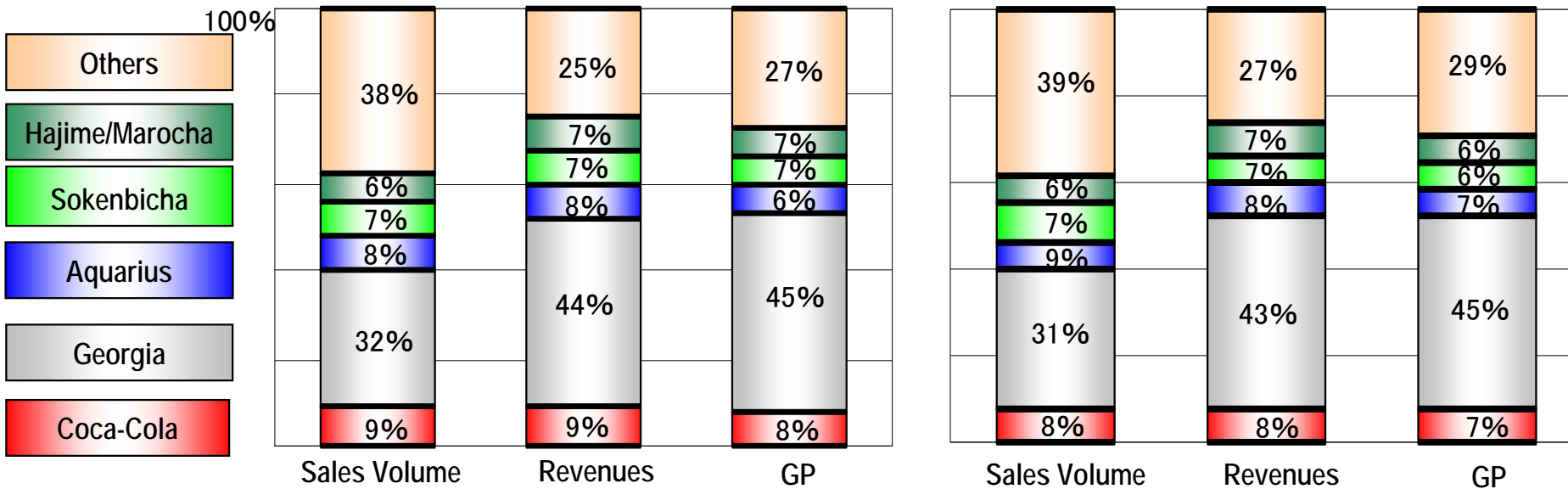
	Mikasa 2006 1H				
	Actual	vs. Plan		vs. LY	
		Diff.	% change	Diff.	% change
Coca-Cola	620	-30	- 4.6	-28	- 4.3
Georgia	1,511	-70	- 4.4	-68	- 4.3
Aquarius	824	-127	- 13.4	+102	+14.1
Sokenbicha	614	+26	+4.4	+3	+0.4
Hajime	300	-94	- 23.9	-89	- 22.8
Mori Mizu/ Minaqua	133	-5	- 3.5	+1	+0.8
Others	3,382	-112	- 3.2	-195	- 5.4
Total	7,384	-412	- 5.3	-275	- 3.6

By Brand Sales Volume / Revenues/GP Composition – CCWH / CCWJ

CCWH

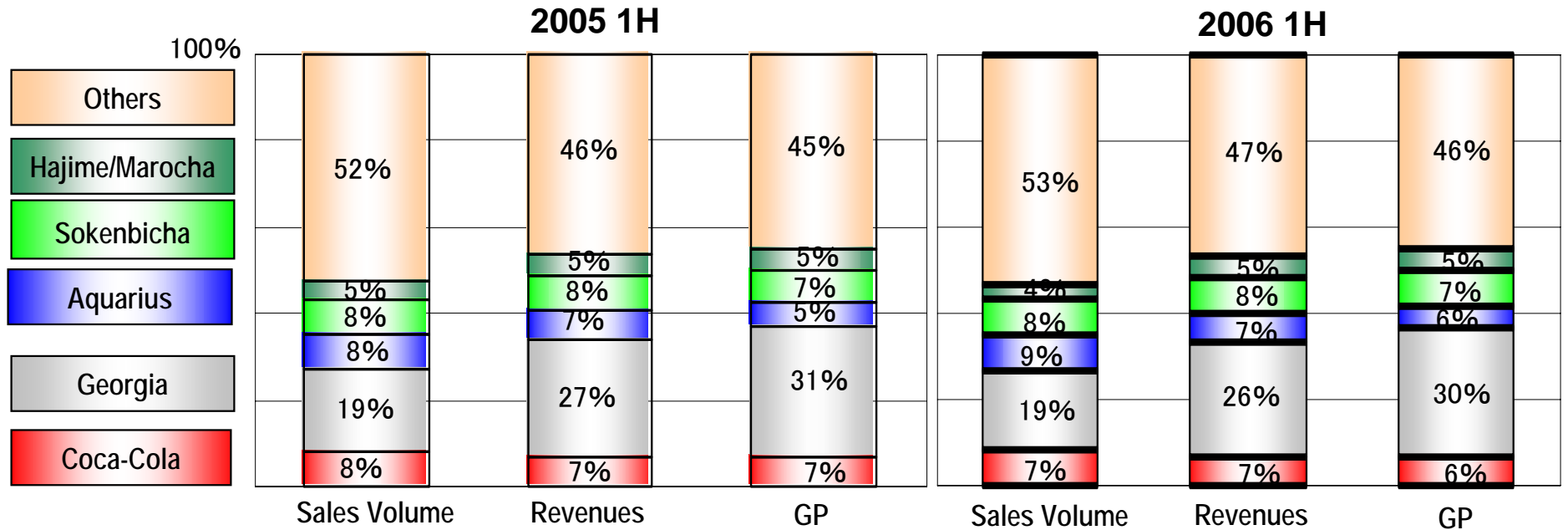


CCWJ

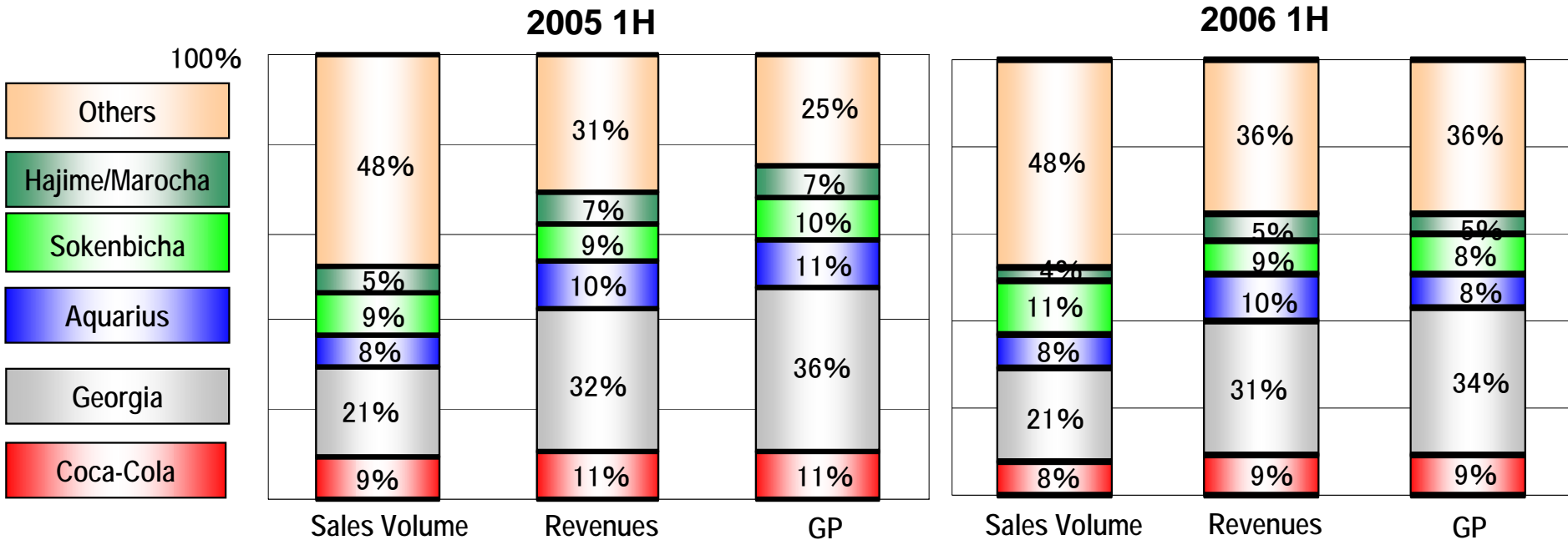


By Brand Sales Volume / Revenues/GP Composition – Kinki / Mikasa

② Kinki



③ Mikasa

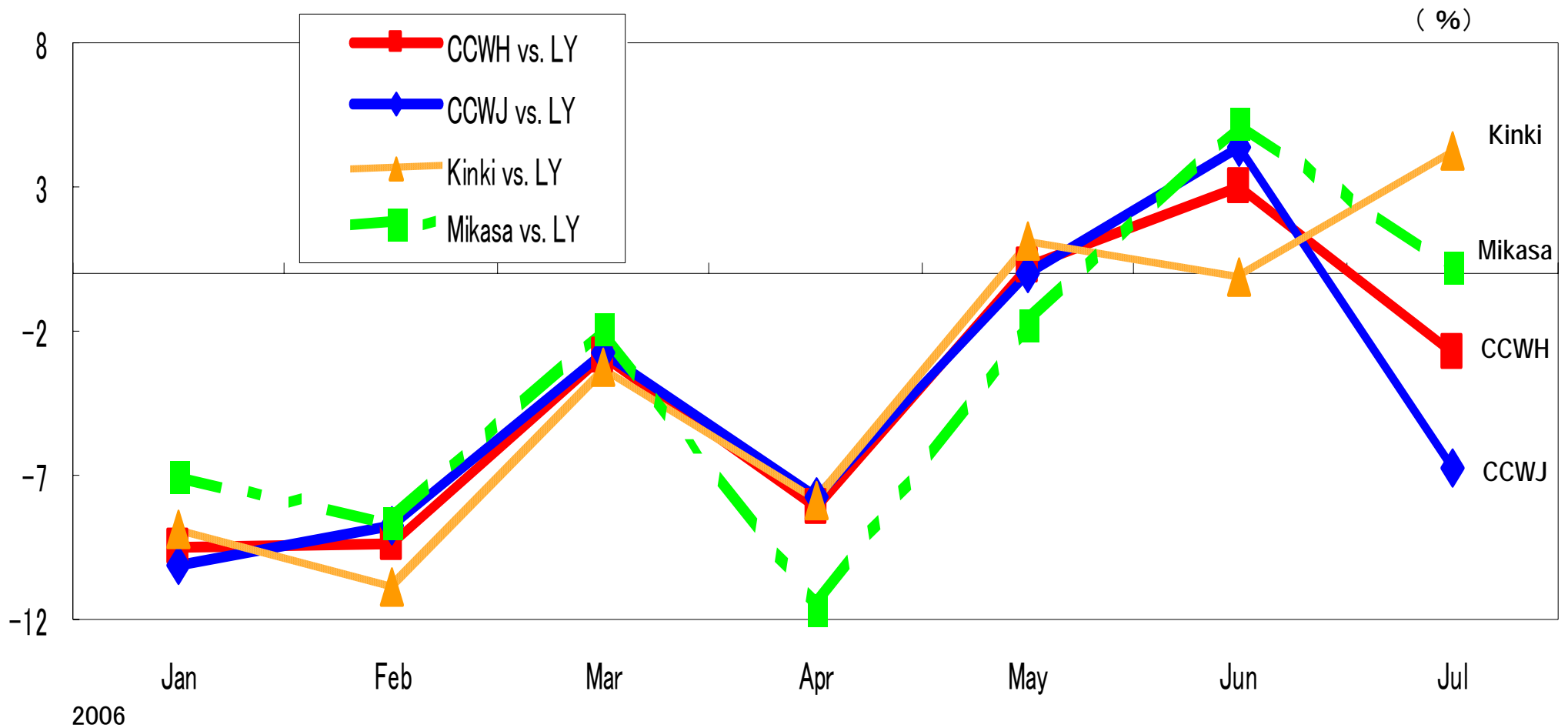


Georgia Monthly Sales Trend (vs. last year)

- 2006 1H sales for CCWJ and Kinki were negative vs. LY due to the stagnant sales since the renewal in September 2005.
- Following the renewal of the key flavor, "Emerald Mountain", in May 2006, sales have turned around.

< June YTD >

- CCWH vs. Ly -4.6%
- Kinki vs. Ly -5.1%
- CCWJ vs. Ly -4.3%
- Mikasa vs. Ly -4.3%



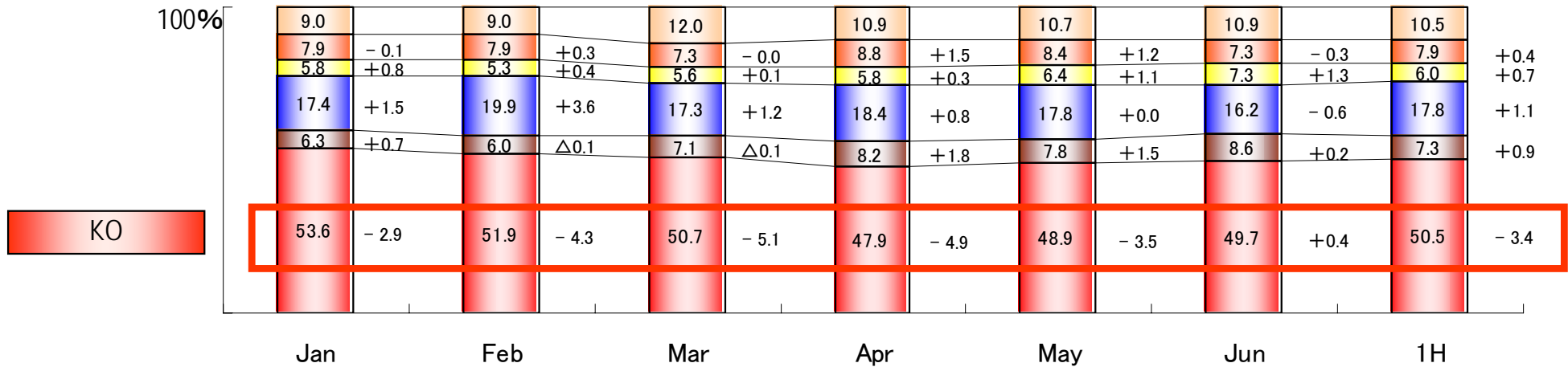
Georgia Market Share Trend — CCWH / CCWJ

<CCWH>

➤ 1H market share for CCWH is negative vs. LY. On a monthly basis, January to May shares vs. Ly are negative, with a share increase in June

※the #s outside the graph are change vs. LY

(%, Point)

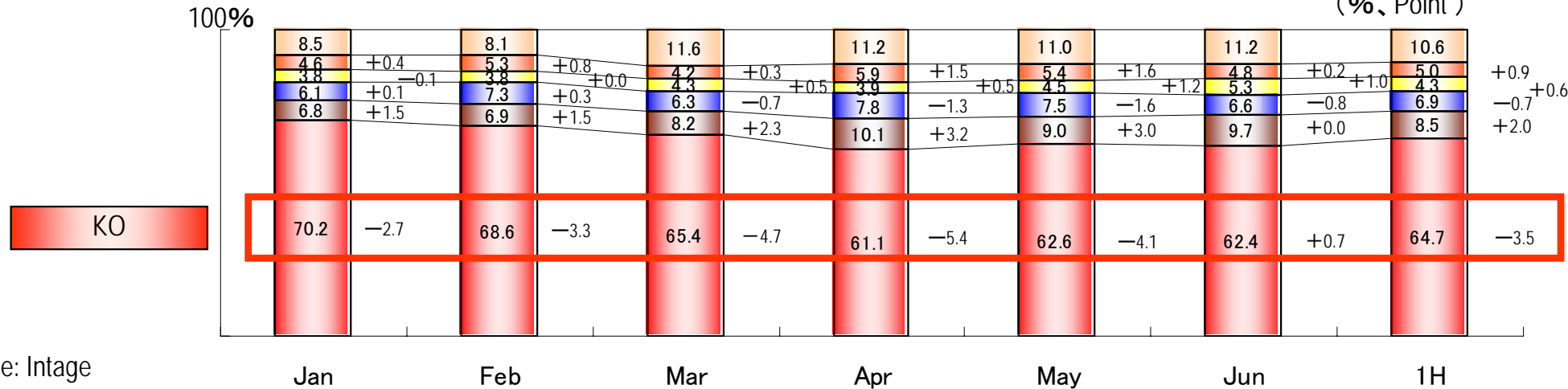


① CCWJ

➤ Market share for CCWJ from January to May is negative vs. Ly, with a share increase in June.

※the #s outside the graph are change vs. LY

(%, Point)



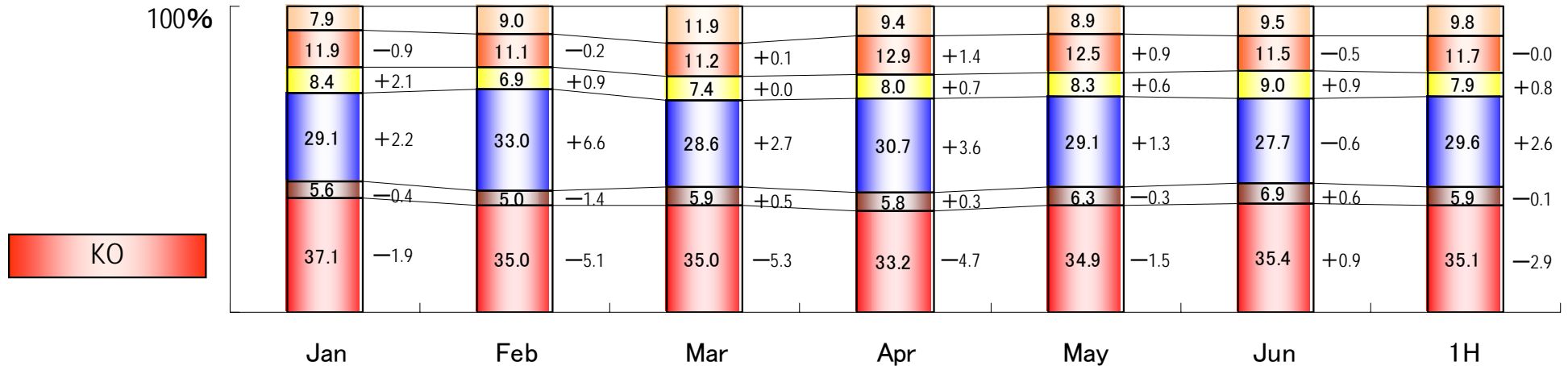
Georgia Market Share Trend— Kinki CCBC / Mikasa CCBC

② Kinki

➤ Market share for Kinki from January to May is negative vs. LY, with a share increase in June

※the #s outside the graph are change vs. LY

(%、Point)

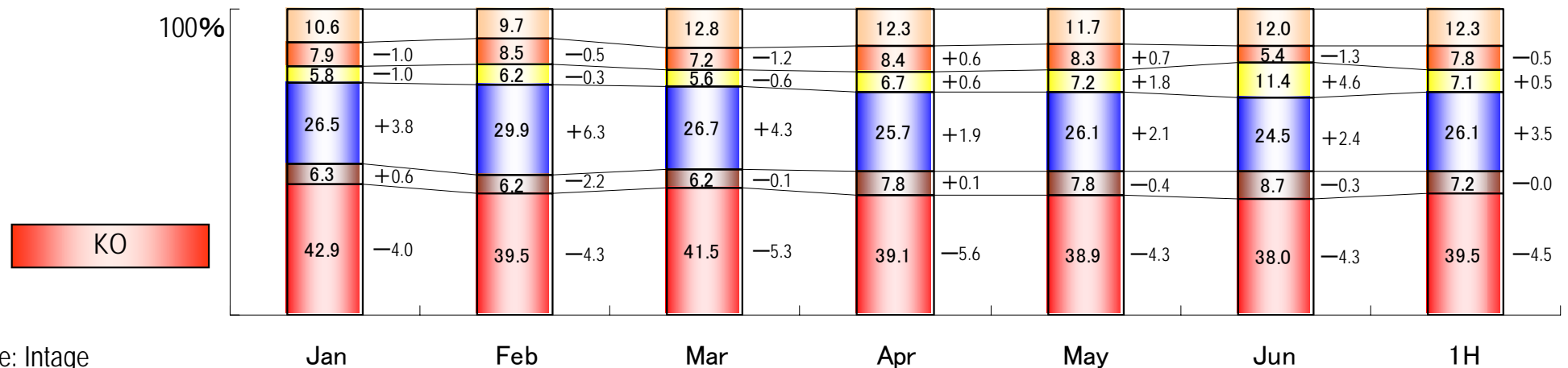


③ Mikasa

➤ Market share for Mikasa continued to be negative vs. LY for the 1st half

※the #s outside the graph are change vs. LY

(%、Point)



Sales By Channel –CCWH / CCWJ

<CCWH>

- All Channels are negative vs. plan and vs. Ly.

① CCWJ

- All Channels could not achieve target
- Chain store and food services are positive vs. Ly.

(000' BAPC, %)

	CCWH 2006 1H				
	Actual	V.s. Plan		v.s. Ly	
		Change	Rate	Change	Rate
VM	27,808	-1,413	-4.8	-280	-1.0
Chainstore	16,457	-1,410	-7.9	-594	-3.5
CVS	8,743	-1,001	-10.3	-651	-6.9
Retail	12,690	-970	-7.1	-633	-4.8
Food Service	8,431	-215	-2.5	-282	-3.2
Distributor	779	-80	-9.3	-37	-4.5
Others	10,516	-100	-0.9	-66	-0.6
Total	85,424	-5,189	-5.7	-2,543	-2.9

	CCWJ 2006 1H				
	Actual	V.s. Plan		v.s. Ly	
		Change	Rate	Change	Rate
	13,736	-864	-5.9	-164	-1.2
	7,861	-492	-5.9	+154	+2.0
	4,641	-377	-7.5	-224	-4.6
	5,841	-582	-9.1	-476	-7.5
	3,645	-75	-2.0	+51	+1.4
	779	-80	-9.3	-37	-4.5
	4,081	-64	-1.5	-174	-4.1
	40,584	-2,532	-5.9	-870	-2.1

Sales By Channel – Kinki / Mikasa

② Kinki

➤ All channels are negative vs. plan and vs. Ly.

③ Mikasa

➤ All channels are negative vs. plan and vs. Ly

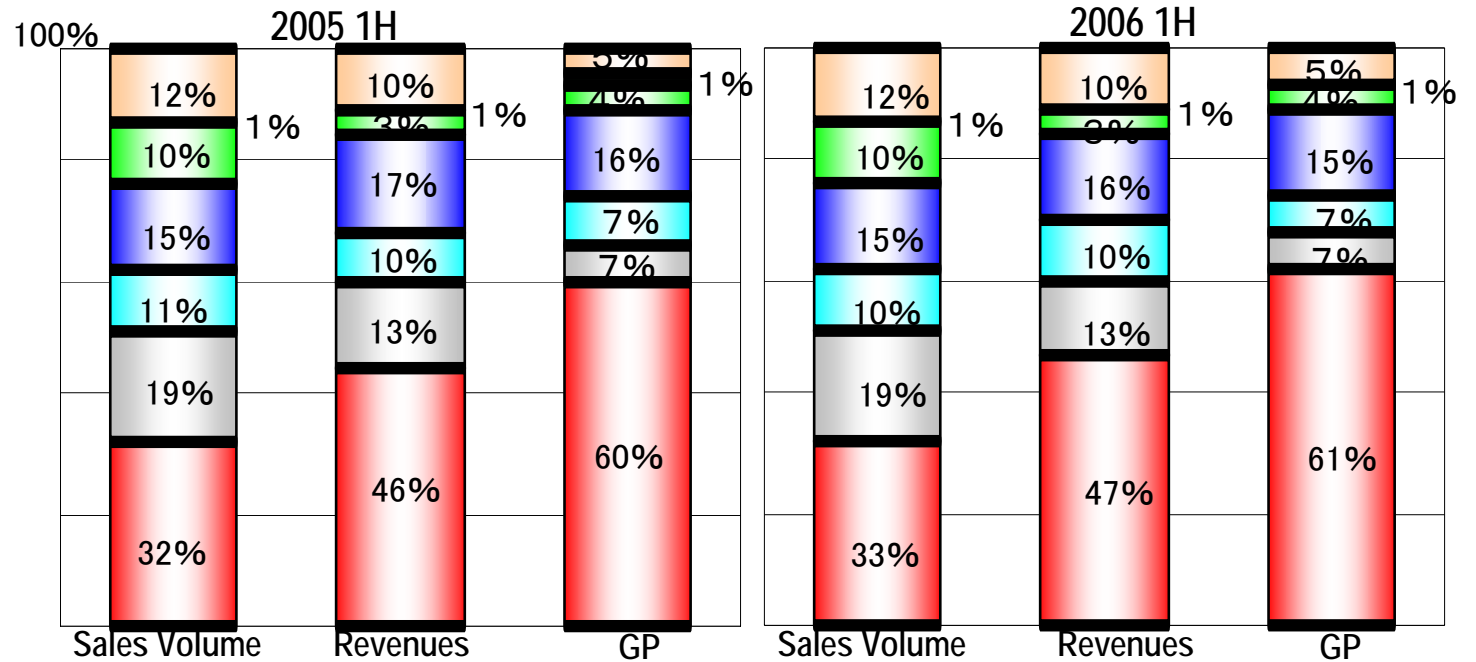
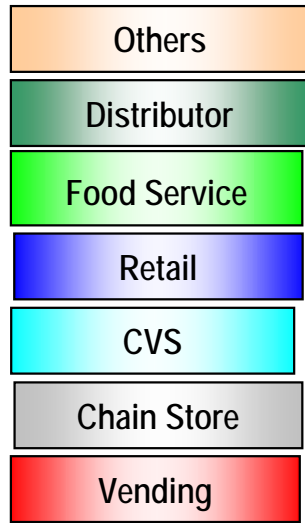
(000' BAPC, %)

	Kinki 2006 1H				
	Actual	v.s. Plan		v.s. Ly	
		Change	Rate	Change	Rate
VM	12,084	-477	-3.8	-86	-0.7
Chainstore	6,719	-808	-10.7	-712	-9.6
CVS	3,324	-501	-13.1	-349	-9.5
Retail	5,435	-313	-5.5	-53	-1.0
Food Service	4,112	-104	-2.5	-285	-6.5
Distributors	-	-	-	-	-
Others	5,781	-41	-0.7	+86	+1.5
Total	37,455	-2,245	-5.7	-1,399	-3.6

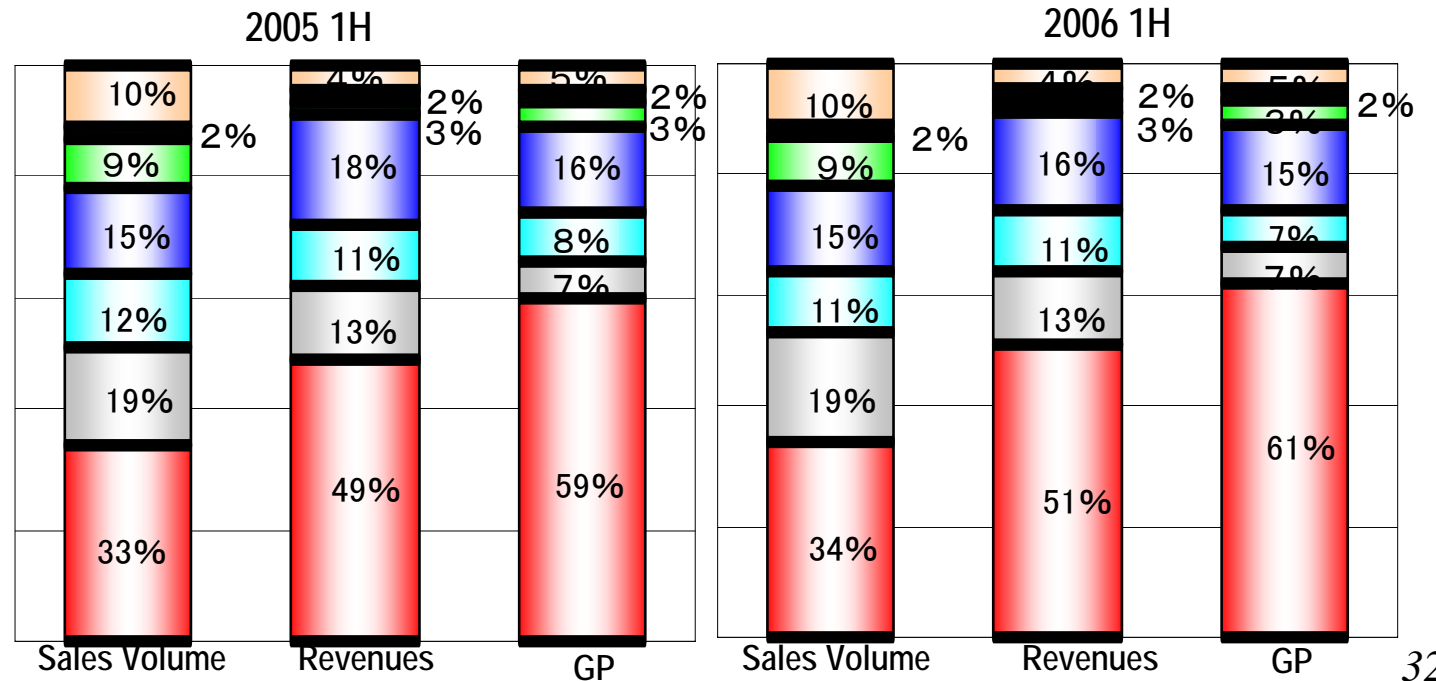
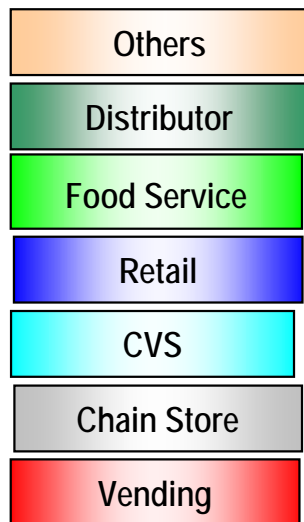
	Mikasa 2006 1H				
	Actual	v.s. Plan		v.s. Ly	
		Change	Rate	Change	Rate
	1,988	- 73	-3.5	- 30	-1.5
	1,878	- 110	-5.5	- 36	-1.9
	777	- 123	-13.6	- 78	-9.2
	1,413	- 75	-5.0	- 104	-6.9
	673	- 36	-5.1	- 48	-6.7
	-	-	-	-	-
	655	+5	+0.7	+23	+3.6
Total	7,384	- 412	5.3	- 275	-3.6

By Channel Sales Volume / Revenues/GP Composition – CCWH / CCWJ

CCWH

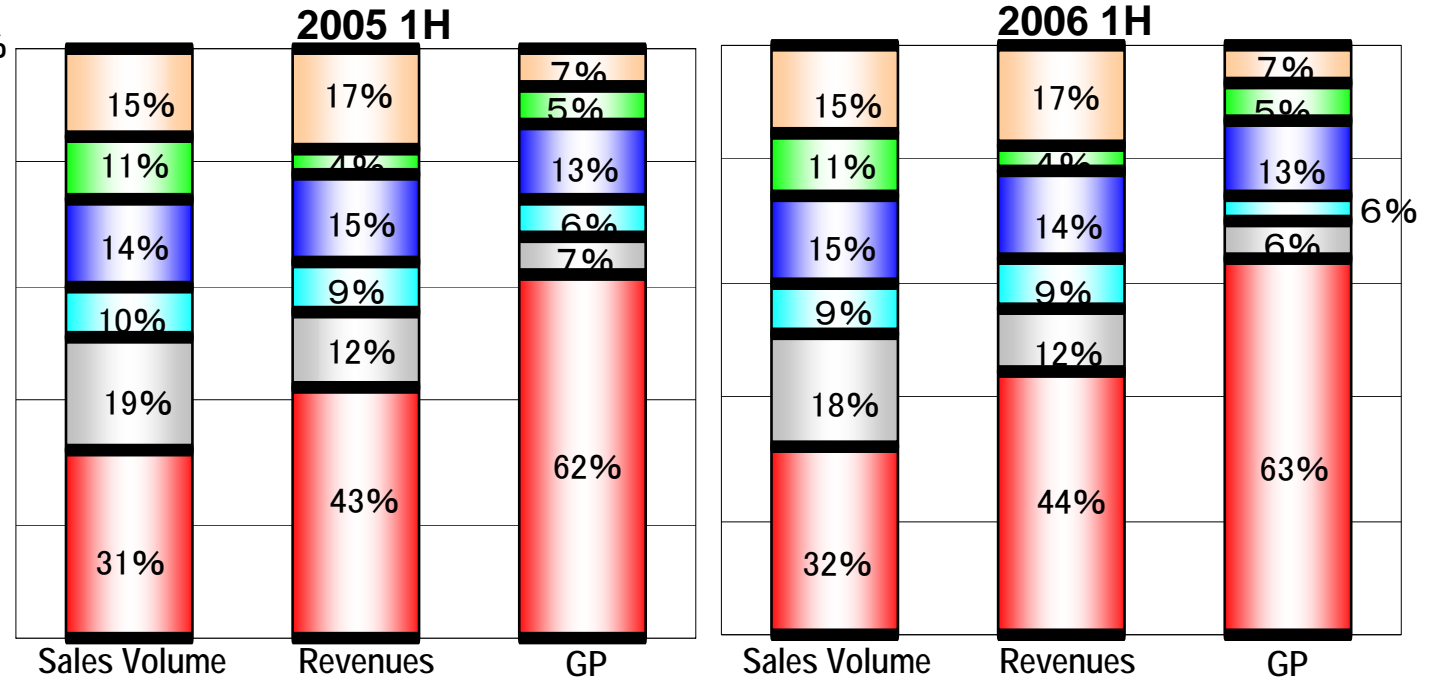
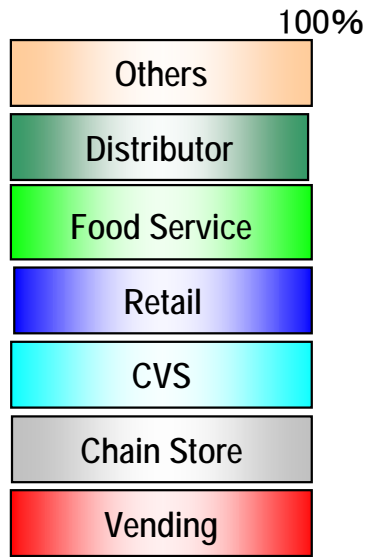


CCWJ

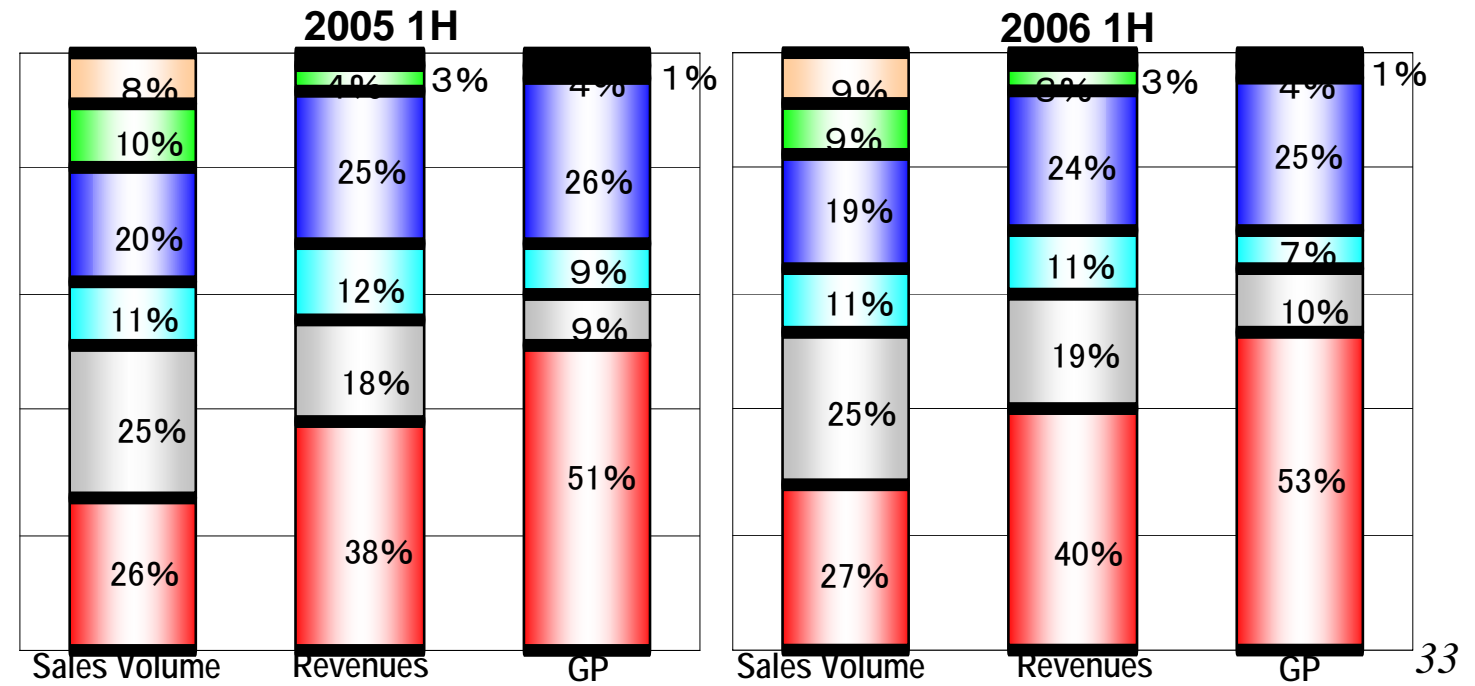
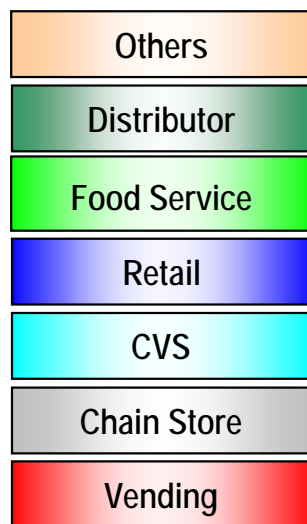


By Channel Sales Volume / Revenues/GP Composition – Kinki / Mikasa

② Kinki



③ Mikasa



Review of Vending Activities - CCWJ

- The number of newly installed vending machines grew positively vs. last year.
- The number of vending machines in the market are positive on a MTD and YTD basis.
- VPM is negative vs. ly due to stagnant sales of Georgia which constitutes largely in the VM column.

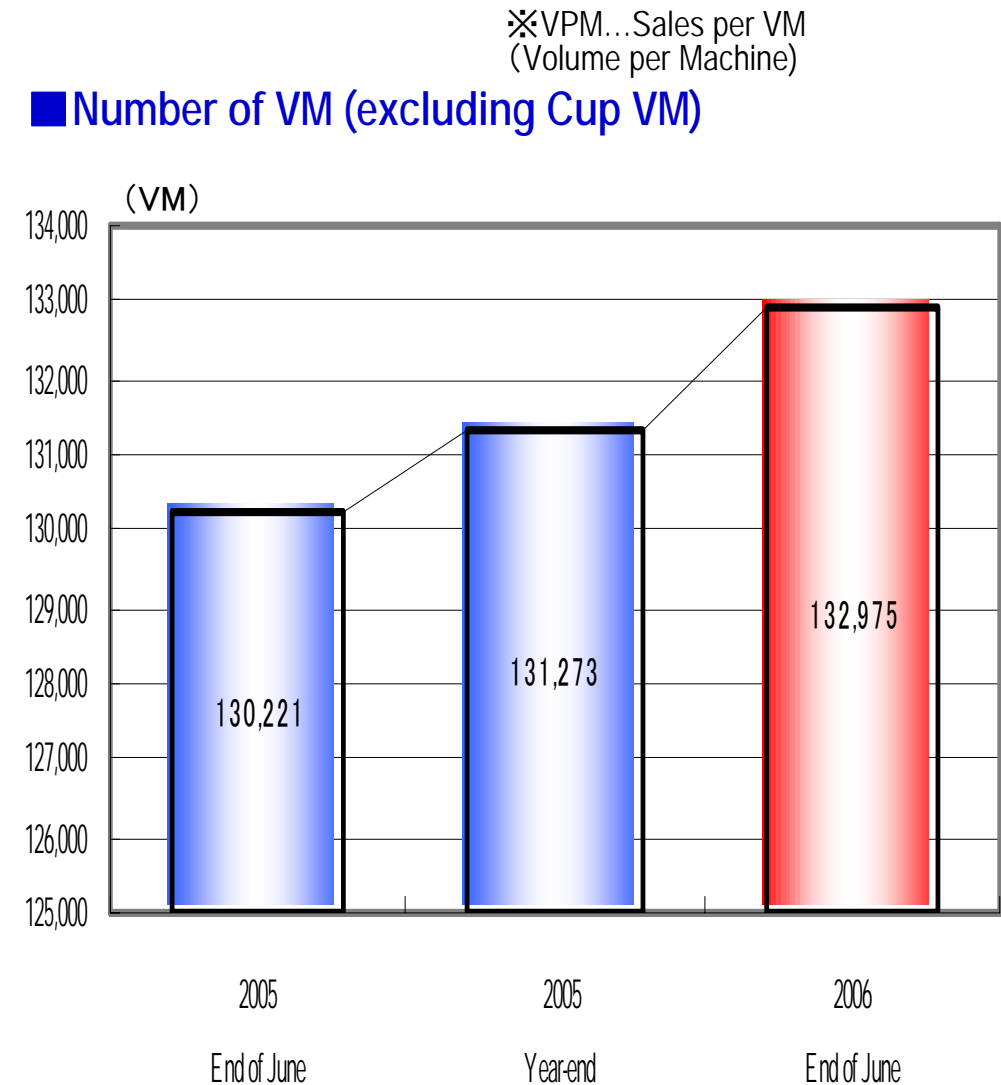
Net Increase in Number of VM

		(VM)		
		2005 Year-end	2006 End of June	Diff.
Assets	Regular	32,610	31,872	-738
	Full-Service	96,652	99,480	2,828
	Sub-Total	129,262	131,352	2,090
Machines Sold		2,011	1,623	-388
Total		131,273	132,975	1,702

VPM for Full Service VM

		(BAPC)		
		2005 1H	2006 1H	Diff.
Georgia		64.1	60.4	-3.7
Total		139.6	131.7	-7.9

Number of VM (excluding Cup VM)



Review of Vending Activities – Kinki CCBC

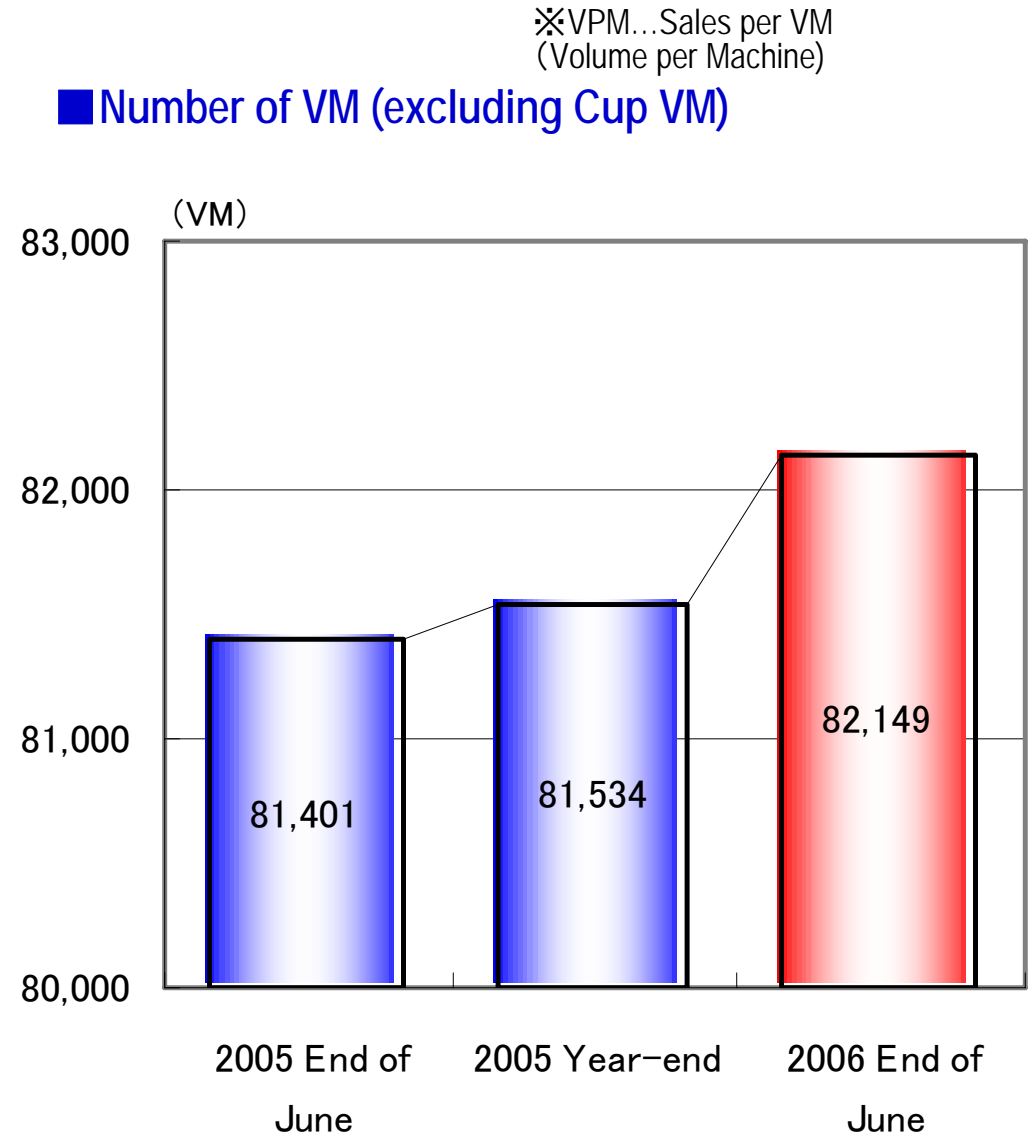
- The number of newly installed vending machines is lagging vs. ly.
- The number of vending machines in the market is positive on a MTD and YTD basis.
- VPM is negative vs. ly mainly due to Georgia's stagnant sales.

■ Net Increase in Number of VM

	2005 Year-end	2006 End of June	Diff.
Regular	52,022	51,730	-292
Full-Service	29,512	30,419	907
Total	81,534	82,149	615

(VM)

■ Number of VM (excluding Cup VM)



■ VPM for Full Service VM

	2005 1H	2006 1H	Diff.
Georgia	86.7	82.5	-4.2
Total	196.8	188.7	-8.1

(BAPC)

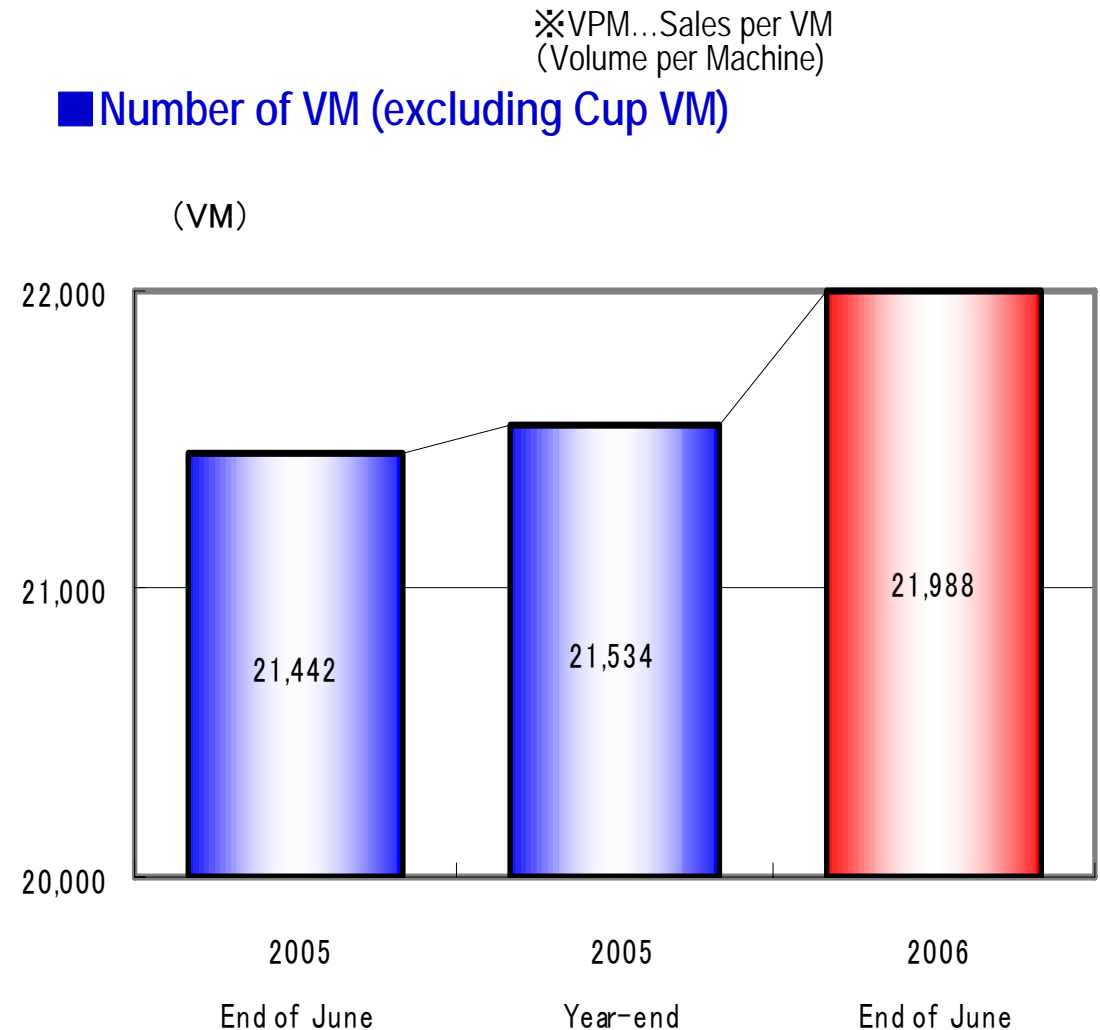
Review of Vending Activities – Mikasa CCBC

- The number of newly installed vending machines grew positively vs. ly.
- The number of vending machines in the market are positive on a MTD and YTD basis.

■ Net Increase in Number of VM

	(VM)		
	2005 Year-end	2006 End of June	Diff.
Regular	13,563	13,697	+134
Full-Service	7,971	8,291	+320
Total	21,534	21,988	+454

■ Number of VM (excluding Cup VM)

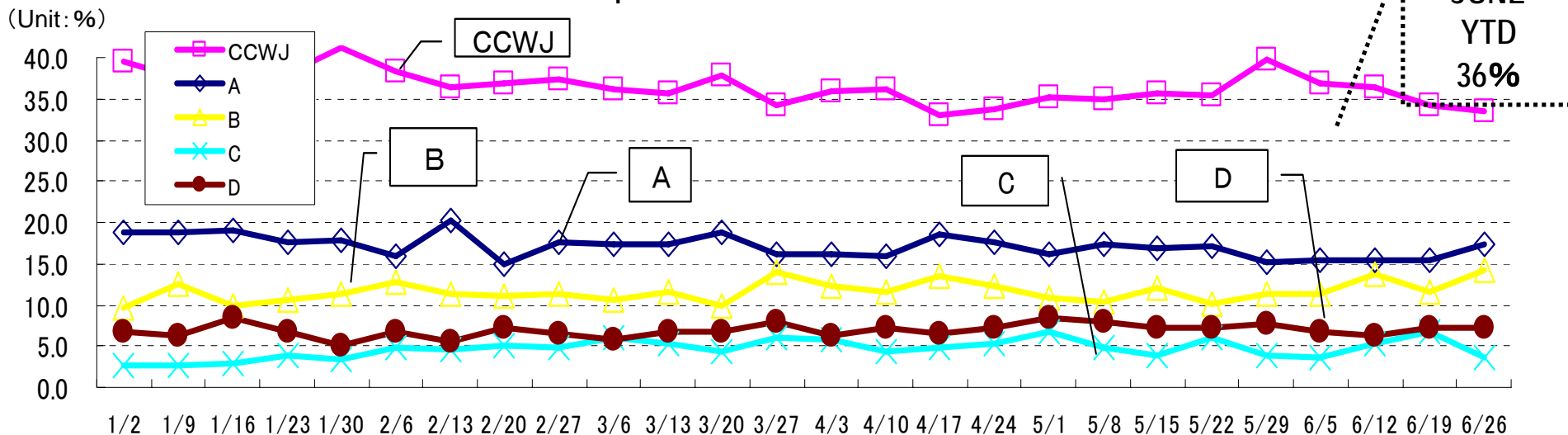


Review of Chain Store Activities - CCWJ

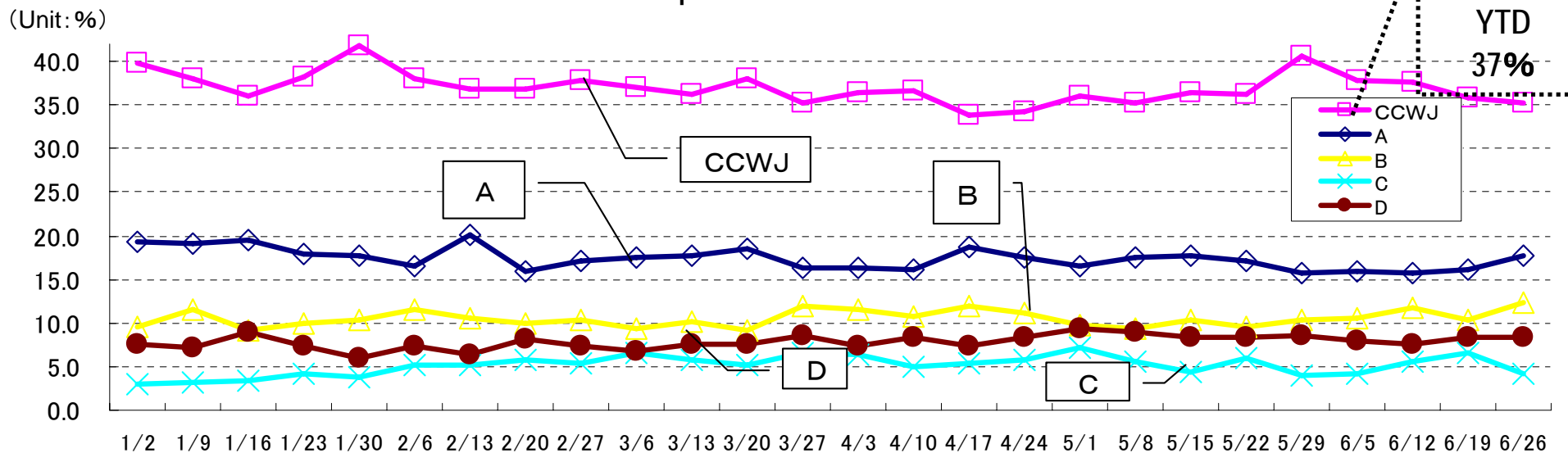
- The value based market share is larger than the volume based market share.
- The distribution ratio of the small PET has increased compared to that of the large PET and can, which has constricted.

Source: Intage

<Market Share on a volume basis – 2L PET at supermarkets>



<Market Share on a value basis – 2L PET at supermarkets>

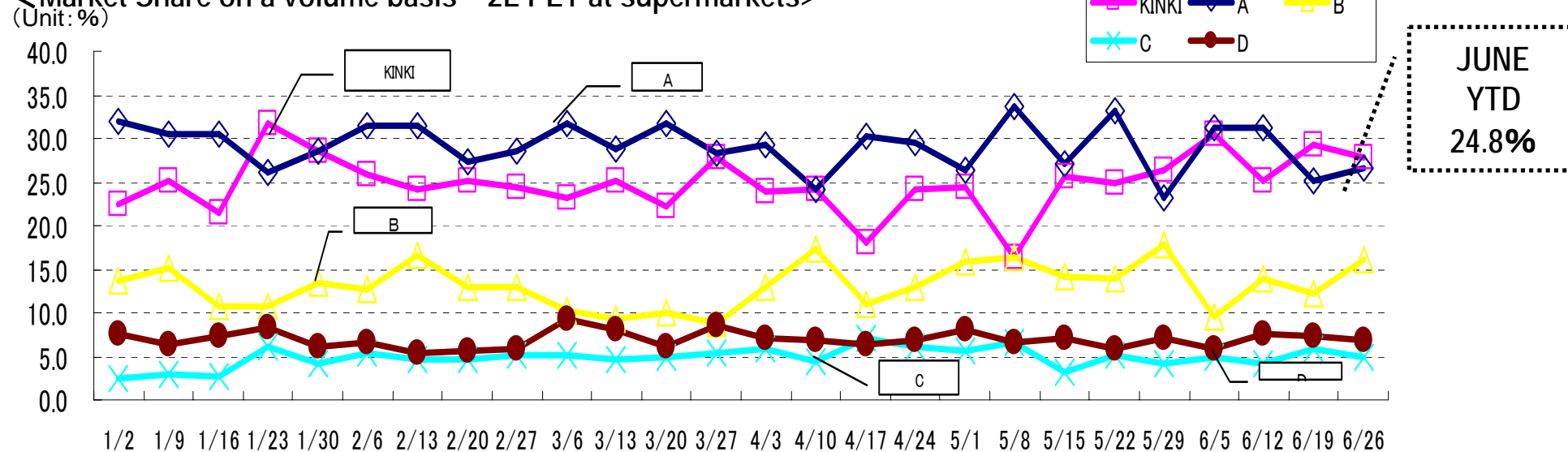


Review of Chain Store Activities – Kinki CCBC

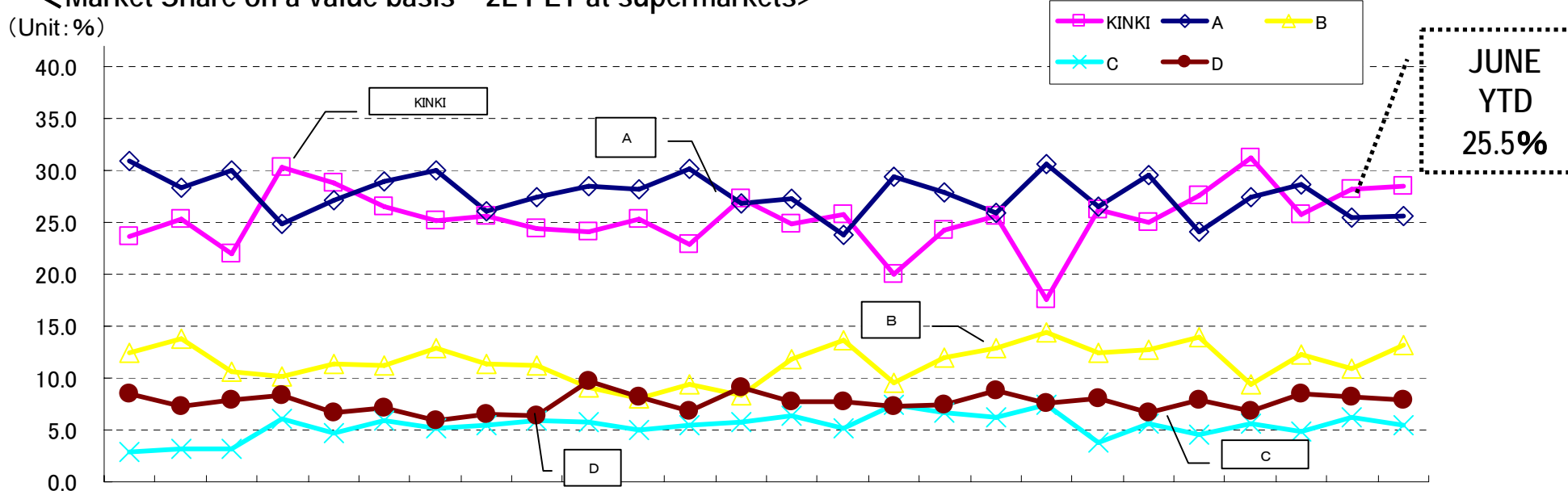
- The value based market share is larger than that of the volume share
- The distribution ratio of the small PET has increased, compared to that of the large PET and can, which has constricted.

Source: Intage

<Market Share on a volume basis – 2L PET at supermarkets>



<Market Share on a value basis – 2L PET at supermarkets>

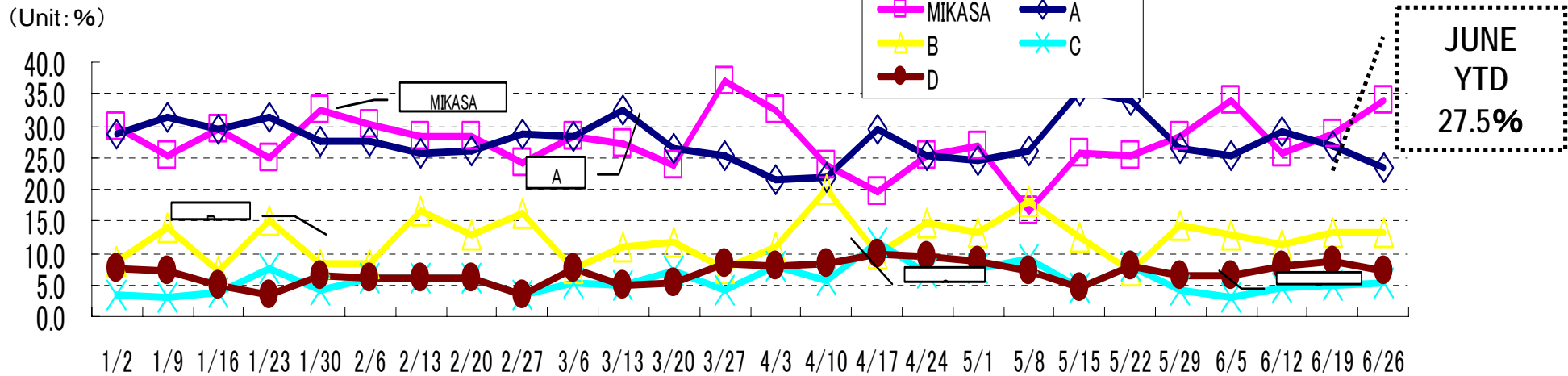


Review of Chain Store Activities – Mikasa CCBC

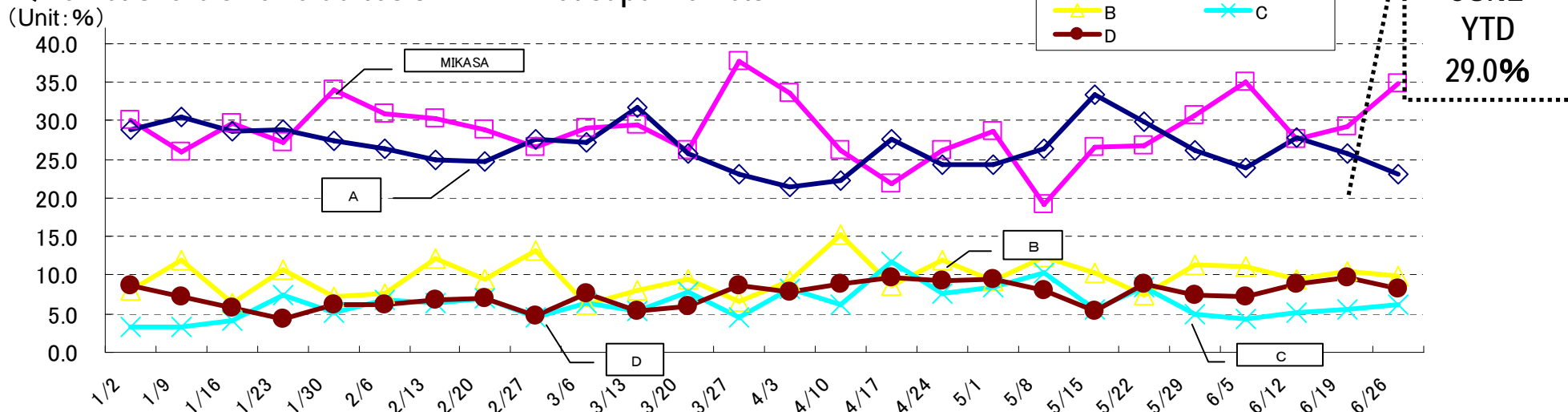
- The value based market share is larger than that of the volume share.
- The distribution ratio of the small PET and large PET has increased, compared to that of the cans, which has constricted

Source: Intage

<Market Share on a volume basis – 2L PET at supermarkets>



<Market Share on a value basis – 2L PET at supermarkets>



1H Summary

- Stagnant sales of core brands (Georgia / Hajime)
⇒ Georgia...Indications of recovery in May
- Stagnant sales of new products
- Late market developments and decreases in VPM
⇒ Number of active vending machines...increased YTD vs. Ly.
- Stagnant sales in CVS and Chain-stores (Kinki)

※VPM...Sales per machine
(Volume Per Machine)

2H Key Strategies

Maximizing Summer Demands

Revitalizing Georgia

Maximizing the Platform of New Products

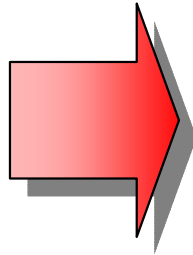
Revitalizing Hajime



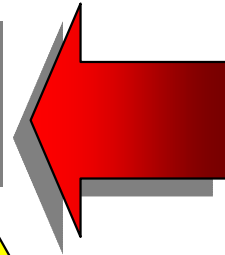
2H Marketing Activities

CCWH Groups' Sales Direction

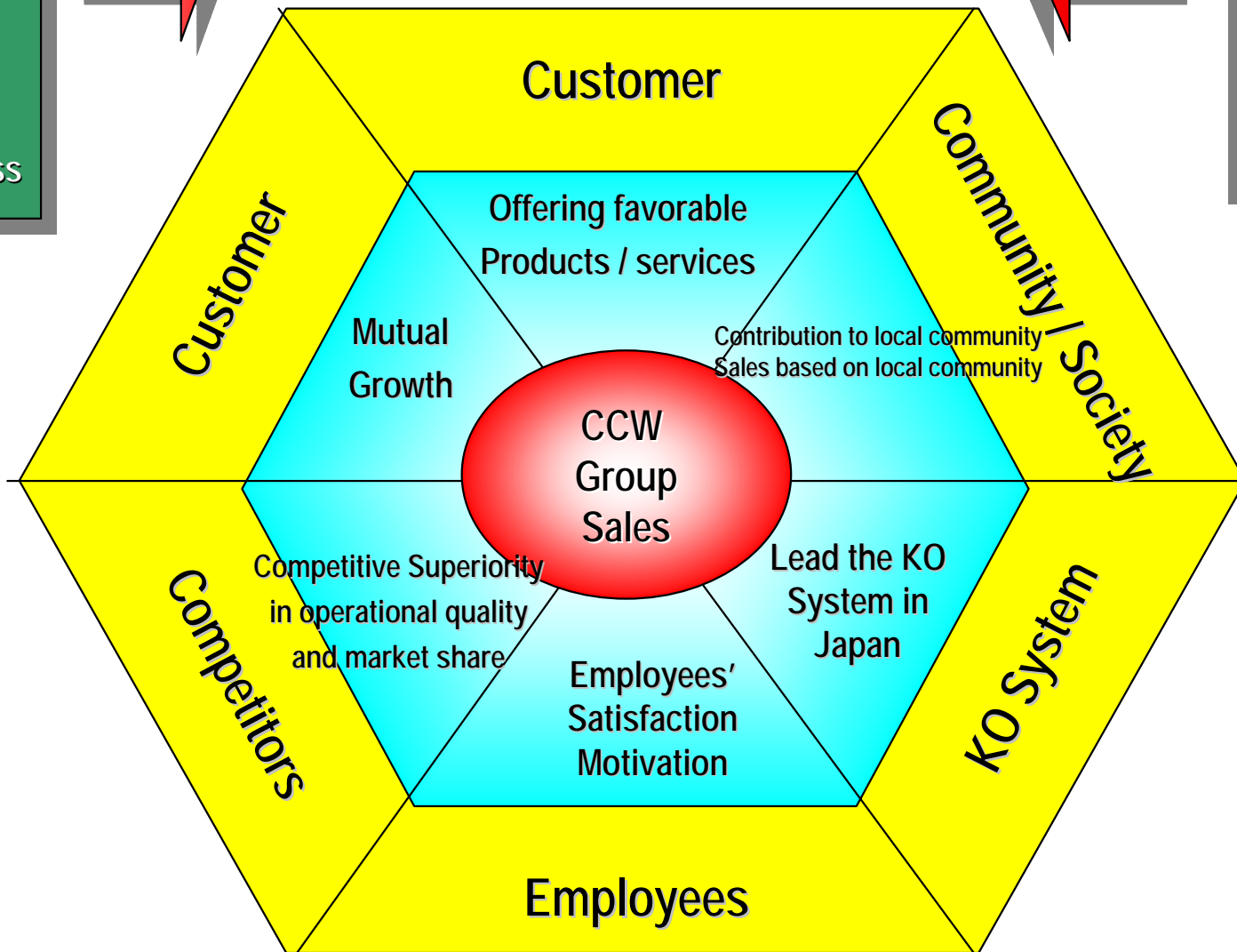
CCWH Corporate Vision
 Creating our Future Beverage Business



Unparalleled #1 position in the beverage market
 —Continued growth in volume / profits / shares—



CC System JMFG Vision



Mid-Term Sales Strategies

Strengthen operations through integrating the “know-how” of the 3 companies

Strengthen collaboration with TCCC/CCJC

■ Vending...Increase in share and VPM from creating attractive VM

- Selection of VM from a consumer perspective, not solely based on profitability
- Development of low price vending machines as well as development of VM specific products
- Strengthening of new products development

■ Supermarket...Sustainable growth in volume and value shares

- Continue to increase core brands as well as establish a green tea brand positioning
- Rebuild mineral water
- Strengthen new products development

■ New Channel (Drug) ...Achieve #1 value shares with a focus on the health theme

■ On-Premise...Nurturing high added-value products to shift to profitable channel

2H: Execute the current action plan of each operational company

Sales Plan By Brand (2H)

(000' BAPC, %)

	2005 2H Actual	2006 2H		
		Plan	v.s. LY	
			Change	Rate
Coca-Cola	8,456	8,713	+256	+3.0
Georgia	22,225	23,221	+996	+4.5
Sokenbicha	7,843	8,084	+241	+3.1
Aquarius	11,059	11,755	+695	+6.3
Hajime	5,500	5,566	+65	+1.2
Morino Mizu / Minaqua	3,333	3,566	+233	+7.0
Others	41,518	39,908	-1,610	-3.9
Total	99,935	100,812	+877	+0.9

※The above 2005 2H actual is total of CCWJ, Kinki, and Mikasa's actual results last year

Core Brand Key Activities

Execute National Summer Promotion

■ Georgia...Re-activating the brand through a re-focus on core users

- Launch new /renewal products and maximize their exposure
- Widely execute the new campaign and leverage it to the effective merchandizing

■ Non-Sugar Tea...Execute strategy based on brand power (price / non-price)

- Hajime: Revitalize the brand with the introduction of a seasonal flavor "Sumi Gyokuro" as well as a sub-brand "Jikkuri Umami"
- Karada Meguricha: Sustain coverage and execute new promotions

■ Coca-Cola

- Expand availability of Diet Coca-Cola and added volume cans

■ Aquarius

- Execute heat-attack consumer promotions, pricing promotions, and introduce added volume can
- Expand availability of Active Diet and Freestyle

Execute promotion utilizing programs
tailored to by channel consumers' characteristics

Core Brand Key Activities ~Revitalizing Georgia~

New Campaign ... Started since June 26, 2006

- Acquire core canned coffee core users in their 30s and 40s...product line-up, advertising.
- Introduce new /renewed products
- Execute national/by channel promotions

New Product / Renewal

【New Products】

- Deepresso 190Can
- Café Latte Mild 280 PET
- Five Blend 190Can
- Autumn Coffee 190Can
- Café Latte Fat Free 280PET
- Zeitaku Milk Hot Café Au Lait 280PET
- French Café Hot 280PET

【Renewal】

- European Blend 190Can
- Tasty 190Can
- Original 250Can
- Café Au Lait 250Can
- Blend 190Can

Key Promotion Activities

- Beams Lucky Cap Promotion
- Autumn National Promotion
- Channel Promotion
- Core Flavor Sampling



Deepresso



Five Blend



European



Tasty

Key Brand Activities ~ Expansion of New Product Platforms ~

Strengthen key new products
from the 1st Half



Launch added-value
new products



Launch seasonal flavors
for key brands



Key Channel Activities

Execute National Summer Promotion

■ Vending...Begin studies into a new business model

- Increase the number of VM's in the market
- Executive VPM increasing initiatives
- Application of tests in chilled products

※VPM...Sales per machine
(Volume Per Machine)

■ Supermarkets...Fulfill CBPPP (RGM) activities in order to increase volume and value share

- Implement pricing strategies for large PET products with a focus on Hajime, Mineral Waters, and Aquarius
- Strengthen category management

■ On-premise...Begin investigations in establishing a new business model in order to capture the market

- Reclaim the market with a focus on new product priority channels
- Strengthen sales in existing key accounts

Execute promotion utilizing programs
tailored to by channel consumers' characteristics

Sales Plan By Channel (2H)

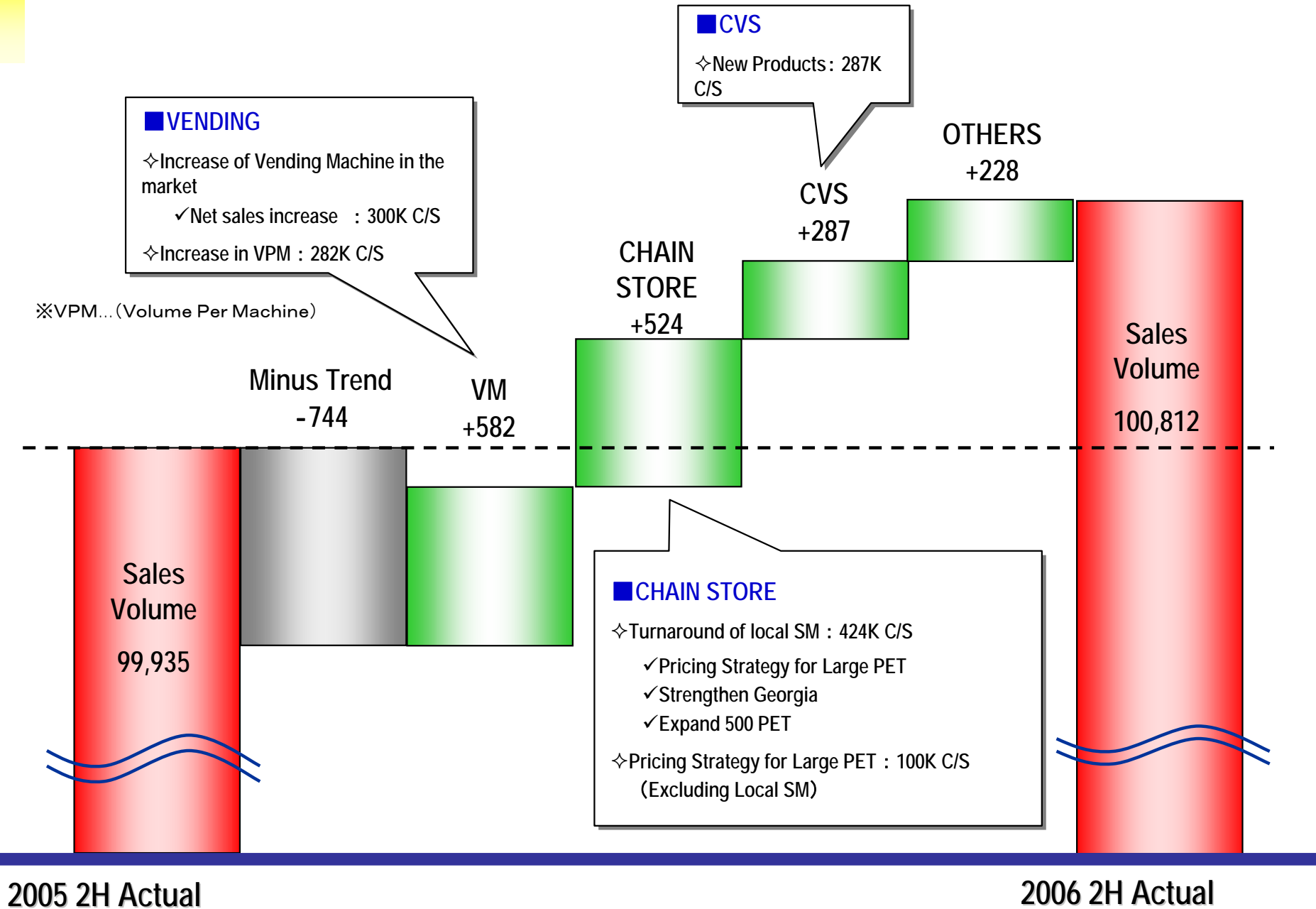
(000' BAPC, %)

	2005年 2H Actual	2006 2H		
		Plan	vs. Ly	
			Change	Rate
VM	31,018	31,600	+582	+1.9
Chainstore	21,091	21,615	+524	+2.5
CVS	10,151	10,437	+287	+2.8
Retail	14,753	14,362	-391	-2.6
Food service	10,256	10,317	+61	+0.6
Distributors	956	922	-34	-3.6
Others	11,710	11,558	-152	-1.3
Total	99,935	100,812	+877	+0.9

※The above 2005 2H actual is total of CCWJ, Kinki, and Mikasa's actual results last year

Scenario to achieve volume target

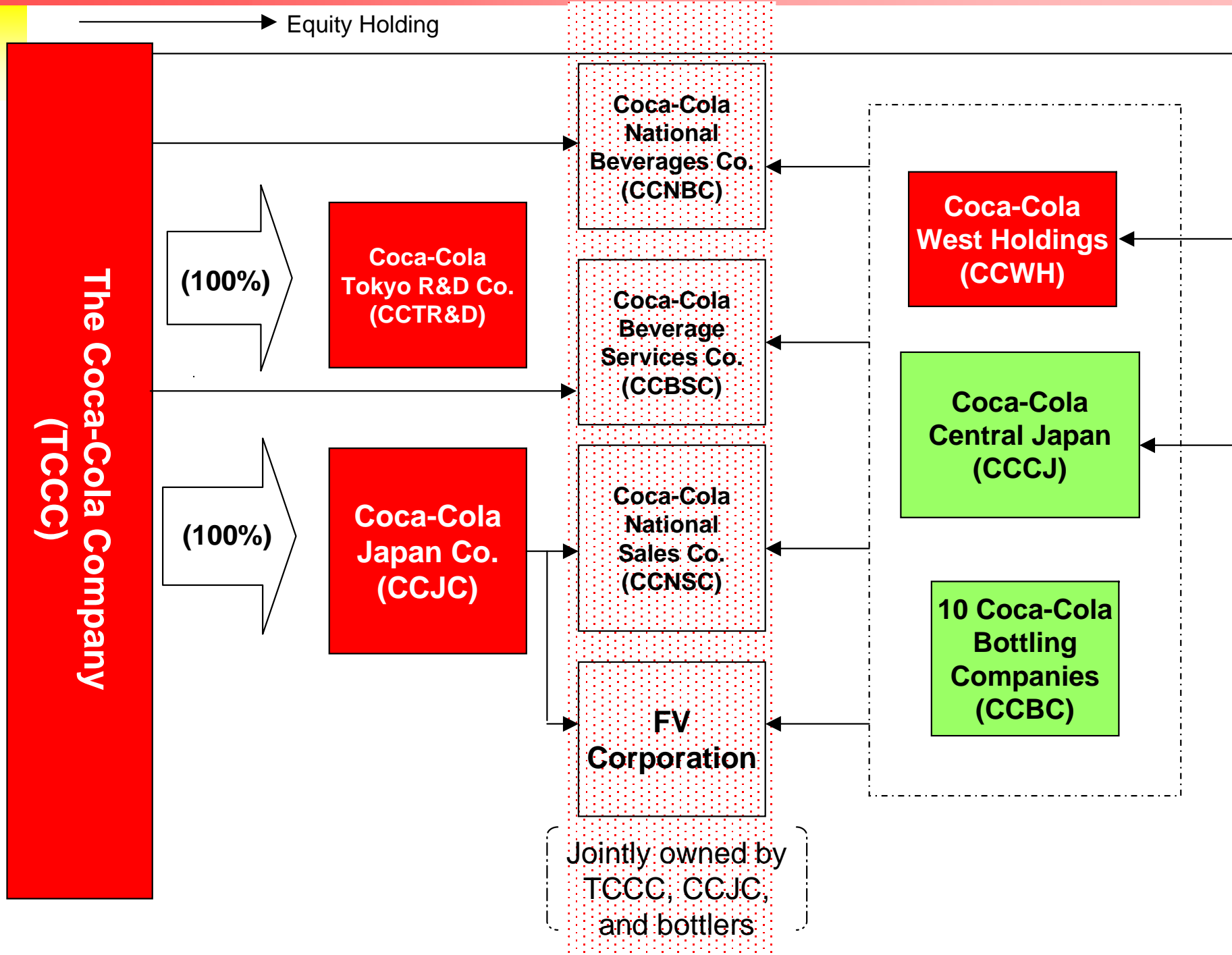
(000' BAPC)





[Reference]

Coca-Cola System in Japan



Coca-Cola Related Companies and Their Roles

1. Coca-Cola West Holdings Co., Ltd. (CCWH)

In July, 2006, Coca-Cola West Japan Company, Limited and Kinki Coca-Cola Bottling Company, Limited merged the management of both companies by establishing a joint holding company CCWH.

2. The Coca-Cola Company (TCCC)

Established 1919 in Atlanta, Georgia. Carries the rights to grant a license to manufacture and sell Coca-Cola products to the bottlers. TCCC (or its subsidiary) makes franchise agreements with the bottlers.

3. Coca-Cola (Japan) Co., Ltd. (CCJC)

Established 1957 in Tokyo, as “Nihon Inryo Kogyo K.K.,” a wholly-owned subsidiary of The Coca-Cola Company. The company name was changed in 1958 to Coca-Cola (Japan) Company, Limited. CCJC is responsible for marketing planning as well as manufacturing and distribution of concentrate in Japan.

4. Coca-Cola Tokyo Research & Development Co., Ltd. (CCTR&D)

Established in January 1993 as a wholly-owned subsidiary of The Coca-Cola Company. Since January 1995, carries out product development and technical support to respond to the needs of the Asian region.

5. Coca-Cola bottlers (CCBCs)

There are 12 bottlers in Japan, which are responsible for selling Coca-Cola products in the respective territories.

6. Coca-Cola National Beverages Co., Ltd. (CCNBC)

Jointly established in April 2003 by TCCC and CCBCs for the purpose of creating an optimal nationwide supply chain. It started operation in October 2003. CCNBC procures raw materials, coordinates manufacturing and supply/demand plans on a nationwide basis, and supply products to the bottlers.

7. Coca-Cola Beverage Services Co., Ltd (CCBSC)

Jointly established in June 1999 by TCCC and CCBCs and started operation in September 1999. Transferred procurement operations to CCNBC as of October 2003, CCBSC currently carries out activities to reform Japan's Coca-Cola information system.

8. Coca-Cola National Sales Co., Ltd. (CCNSC)

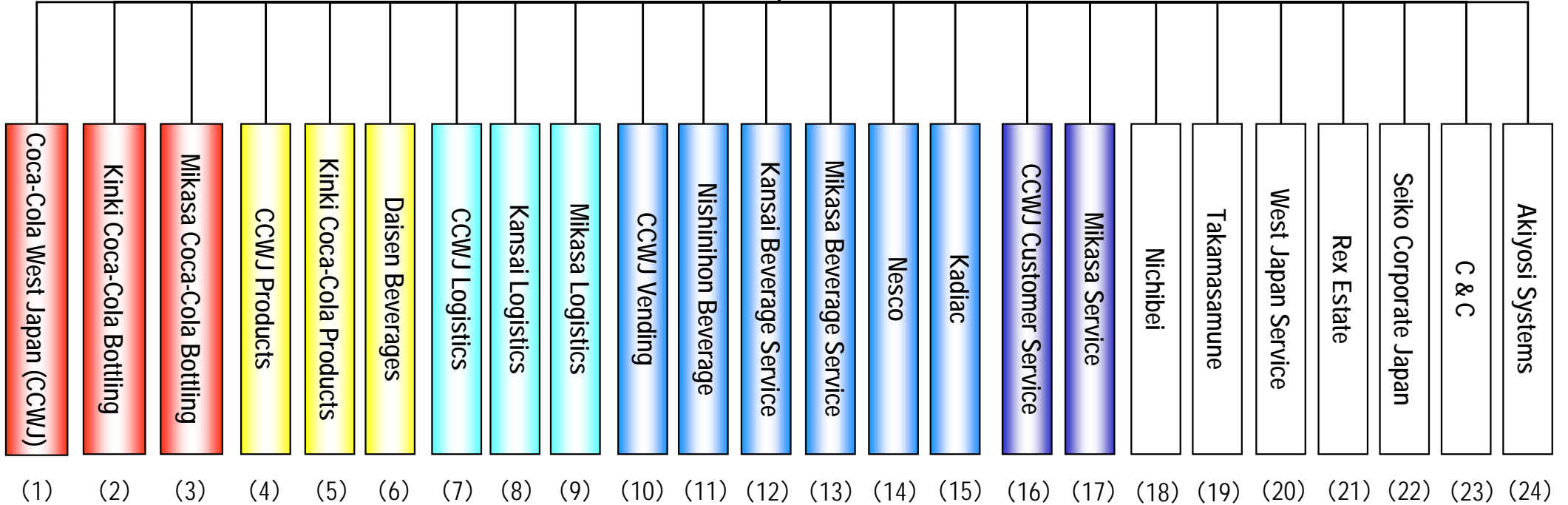
Jointly established in October 1995 by CCBCs and CCJC. Carries out sales activities for national chain customers.

9. FV Corporation (FVC)

Jointly established in May 2001 by CCBCs and CCJC. FVC carries out sales negotiations with national chain vending operators, and deals with non-KO products as well as KO products.

Our Group - Structure

Coca-Cola West Holdings



Coca-Cola Business Associated Companies

Non-Coca-Cola Business Associated Companies

Our Group Companies - Principal Business

Our Group Companies	Principal Business
(1) Coca-Cola West Japan (CCWJ)	Beverage sales
(2) Kinki Coca-Cola Bottling	Beverage sales
(3) Mikasa Coca-Cola Bottling	Beverage production and sales
(4) CCWJ Products	Beverage production
(5) Kinki Coca-Cola Products	Beverage production
(6) Daisen Beverages	Beverage production
(7) CCWJ Logistics	Freight transport-operations
(8) Kansai Logistics	Delivery of beverage
(9) Mikasa Logistics	Freight transport operations
(10) CCWJ Vending	Vending machine operations
(11) Nishinohon Beverage	Beverage sales
(12) Kansai Beverage Service	Vending machine sales and servicing
(13) Mikasa Beverage Service	Beverage sales
(14) Nesco	Beverage sales
(15) CCWJ Customer Service	Sales of beverage and food
(16) CCWJ Customer Service	Vending machine-related businesses
(17) Mikasa Service	Vending machine-related businesses

Our Group Companies - Principal Business

Our Group Companies	Principal Business
(18) Nichibeï	Manufacture of processed foods
(19) Takamasamune	Production and sales of alcoholic beverages
(20) Seiko Corporate Japan	Insurance, leasing, and business machine sales
(21) Rex Estate	Real estate business
(22) Saiko corporate	Maintenance and repair of motor vehicle
(23) C&C	Sales and manufacturing of food, Chain restaurant business
(24) Akiyosi Systems	Chain restaurant business



Glossary(1)

1. Channel (Business Unit)

Vending:

Retail sale business to distribute products through vending machines to consumers

Chain store:

Wholesale business for supermarket chains

Convenience Store:

Wholesale business for convenience store chains

Retail:

Wholesale business for grocery stores, liquor shops, and other over-the-counter outlets

Food Service:

Syrup sale business for fast food restaurants, movie theaters, sports arenas, “family restaurants,” and theme parks

Distributor:

Middleman who work for Coca-Cola to handle our products in remote areas and islands.

Glossary(2)

2. Vending

Regular vending machine:

A vending machine offered free of charge to a customer who supervises its operation and uses it to sell products purchased from us.

Full service vending machine:

A vending machine installed and managed directly by us (product supply, collection of proceeds etc.). Fees are paid to the location proprietors.

In-market vending machine:

An indoor machine whose users are relatively specific

Out-market vending machine:

An outdoor machine whose users are relatively unspecific

Predatory:

To replace or hold exclusively the locations occupied by competitors' vending machines

Upgrade

To replace an existing vending machine with another type which better meets customer needs and responds to changes in demand. For example, the replacement might fit better or be adaptable for PET bottles.

VPM

Sales volume per vending machine



Glossary(3)

3. Chain Store

National chain:

National chain supermarket that CCNSC are responsible for negotiating

New KAM:

Chain supermarket that CCJC and CCBCs jointly deal with

Regional chain:

Chain supermarket that owns its stores in the two or more bottlers' territories

Local chain:

Chain supermarket that owns its stores in the single bottler's territory

4. Other

Sales mix

Composite of products by brand, channel, package, etc. The difference between budget and actual sales or cost of sales might be affected by a change in product sales mix as well as a change in unit price



Forward-Looking Statement

The plans, performance forecasts, and strategies appearing in this material are based on the judgment of the management in view of data obtained as of the date this material was released. Please note that these forecasts may differ materially from actual performance due to risks and uncertain factors such as those listed below.

- Intensification of market price competition
- Change in economic trends affecting business climate
- Major fluctuations in capital markets
- Uncertain factors other than those above